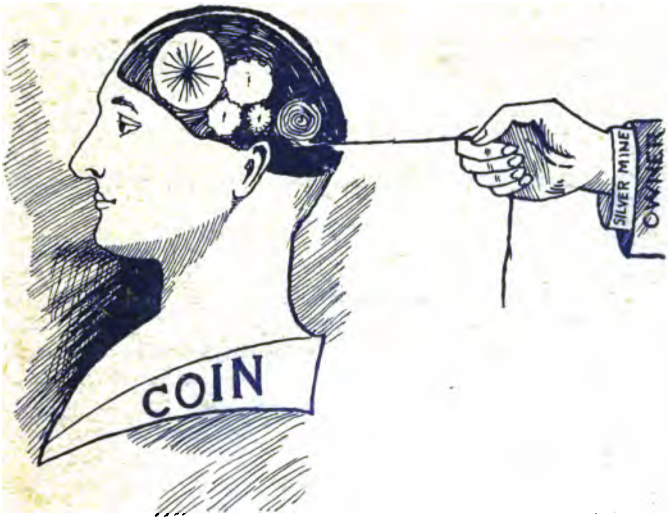


:ment and every statistical statement set forth in
-'- Financial School" is quoted verbatim herein
l absolutely refuted, with the true quotation
›m the very authorities "Coin" has
deliberately falsified.

SOUND MONEY

BY

JOHN A. FRASER, JR.

AND

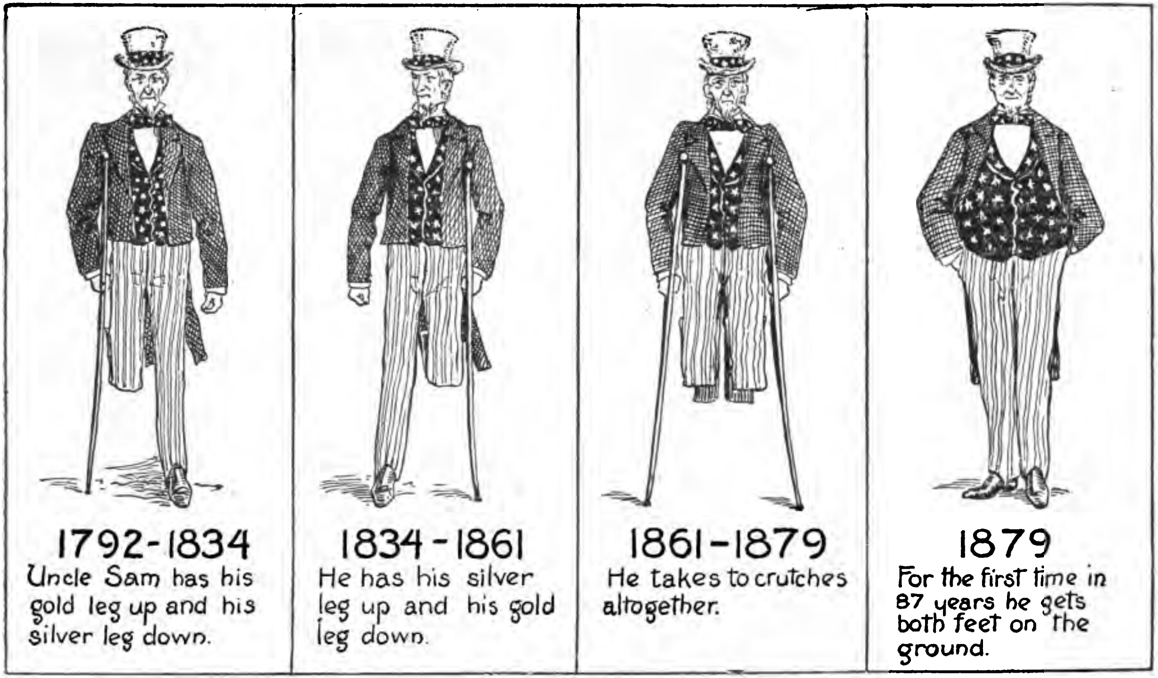
CHARLES H. SERGEL.

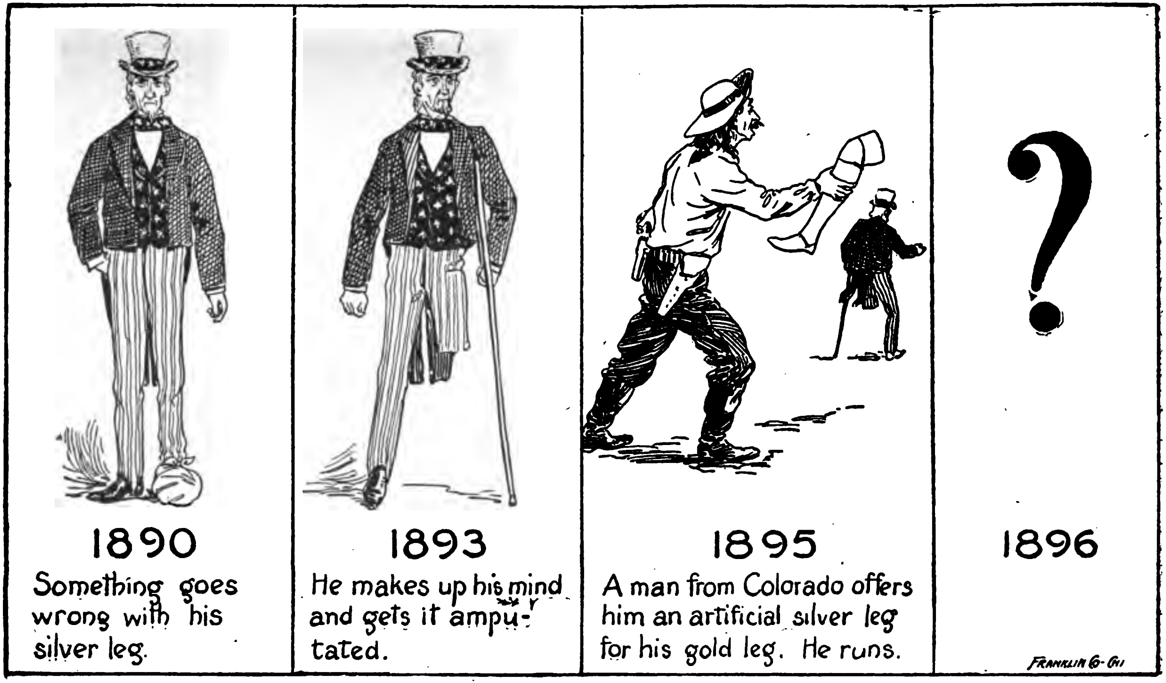
CHICAGO:
CHARLES H. SERGEL COMPANY.
1895.

To the Honest Men of an Honest Nation:

We dedicate this exposure
of the fallacies, fraudulent statistics and sophistries of the
aggressive advocates of National repudiation
and dishonor.

—The Authors.


1792-1834
Uncle Sam has his gold leg up and his silver leg down.
1834-1861
He has his silver leg up and his gold leg down.
1861-1879
He takes to crutches altogether.
1879
For the first time in 87 years he gets both feet on the ground.


1890
Something goes wrong with his silver leg.
1893
He makes up his mind and gets it amputated.
1895
A man from Colorado offers him an artificial silver leg for his gold leg. He runs.
?
1896
FRANKLIN Co-CHI

PREFACE.

No argument or set of arguments which depends upon the employment of fraud or deception to convince deserves to meet with anything better than the contempt of honest men.

It is with this firm conviction that we present the facts, figures and conclusions herein contained to the consideration of all who are interested in the topic of the hour—the silver question.

In view of the fact that the entire argument for the free coinage of silver has been epitomized in "Coin's Financial School," we felt that a comprehensive reply to that book would of necessity involve a complete answer to all that can be advanced by the advocates of what we believe would be a fatal financial revolution. At the same time it must be an equally complete presentation of the arguments in favor of what we believe, under present conditions, to be the only sound money—gold, and a currency based upon that most stable of all values.

In every case the arguments put into the mouths of the eminent citizens who debate the matter with Coin are those to which they themselves have given public utterance, either in speech or print; or to which they have privately given expression or assent. These utterances have been clothed, so far as practicable, in the very words of the men to whom they are ascribed.

No man is misrepresented, no man's views are colored or distorted; and not even to point a moral or adorn the tale have the published assertions of the author of "Coin's Financial School" been unfairly presented. Every proposition Coin advances in the present work is quoted verbally from his book. Every argument in that unique production is fairly and squarely met with facts and figures from the authorities Coin himself has chosen.

In "Sound Money," while the setting is obviously a work of fiction, the arguments and statistics, unlike those in "Coin's Financial School," are matters of the strictest fact. In all important cases the authority is given, together with the page on which the statement may be found. We give our personal pledge that our own statistics are absolutely reliable and ungarbled, while those ascribed to Coin are transferred, sum for sum, from the pages of his "Financial School."

JOHN A. FRASER, JR.,
CHARLES H. SERGEL.

SOUND MONEY.

INTRODUCTION.

"Want stalks through your streets while pallid, ghastly Famine invades your tenements. The busy wheels of industry are stopped where once their hum brought work and happiness to thousands. Prices have fallen until the gold bug's dollar will purchase twenty-five per cent. more of the products of the soil, the mine, the shop and the factory than at any period since the war. You men tramp the streets seeking in vain for work—for the poor privilege of earning your bread in the sweat of your faces, while at home your wives weep silently as they vainly try to soothe the little ones who cry aloud for bread. You are writhing in the grasp of the British Octopus which has fastened his tentacles about the heart of this Nation—the hideous monster whose name is Gold.

"Down with him! Up in your might, like men, and cast off the clutch which is strangling out your life! Strike off the shackles of your financial slavery to the Yellow King and restore the dollar of your daddies—371¼ grains of pure silver freely coined at the ratio of 16 to 1! Silver, and silver alone, can restore good times, start the mills to running as they never ran before and defeat the gigantic conspiracy of British and Eastern gold to seize our fair land and forclose its mortgages, not only on the farms and homes and plantations of the West and South, but also on the labor of every man who toils with his hands, forever and forever more."

As the speaker concluded a storm of cheering rent the air. Three-fourths of the men present had been carried off their feet and lost their heads in listening to the glittering, if specious, and plausible, if fallacious, arguments of the young advocate of free silver coinage who had just concluded his peroration after a vigorous address. In the course of his speech he had exhausted every trick of oratory, every appeal to passion and to prejudice which, in his judgment, would manufacture sentiment in support of that financial policy of which he was the well paid advocate.

A presidential election was approaching. The bonanza silver millionaires, already in possession of almost incredible wealth, but greedy for more, were straining every nerve to accomplish either one of two things—to commit one of the two great parties to a policy of free coinage of the white metal, or to so split and honeycomb both of them with free coinage sentiment that it would be possible to rear a new party of their own. By every means in their power they were bent on securing the inauguration of a policy by which the United States would be suddenly forced to a silver basis, the West and South would be enabled to repudiate their honest debts to the extent of fifty per cent. of their indebtedness; while they, the bonanza silver millionaires themselves, would reap profits from the output of their mines, the like of which were never seen since the world began.

What mattered it to them that sooner or later the crash must come? What mattered it to them that in the course of a few years, at best, financial chaos must engulph the entire commercial system of this country, should their efforts result in the enactment into law of the reckless revolution they were advocating? By that

time they would be prepared for flight beyond the seas to live like princes on the product of their base conspiracy.

As the speaker resumed his chair upon the platform, men in the audience waited for a lull in the handclapping and cheering to ask each other who the young man might be. Gifted with the art of putting things in an extraordinary degree, of magnetic presence and pleasing manner he had for the moment convinced many men against their own sober judgment that they did not know what a dollar really was. He had convincingly proved, so it seemed, by means of statistics of whose genuineness his audience had no means of judging, that for more than twenty years Americans had been guilty of the unheard of folly of putting from 60 to 100 cents worth of silver into a dollar when 40 or 50 cent's worth would have answered the purpose just as well. With a flippant remark and a few chalk lines drawn upon the blackboard he had demonstrated that the great statesmen and financiers of the United States, England, France, Germany—in fact, of every highly civilized country both in the old world and in the new, were either knaves or fools—mostly the latter. He showed, to his own satisfaction, at least, and for the moment to that of the vast majority, that all the hidden mysteries of that wonderful outcome of human necessities—commerce, were to him an open book; that the knotty problems which the wisest and most learned of the world's political economists had grappled with, and studied and puzzled over for years simply melted away before the search-light of his heaven-born genius for finance.

In short, he announced that financial panics and stringent times were but the manifestations of national disease for which the one and only panacea and specific was the silver cure at a ratio of 16 to 1, no matter what the rela-

tive supply of the two metals might be now or in the future.

"Who is he?" said a brawny blacksmith to his neighbor, repeating the latter's query, "why, that's Harvey Coin—the man who wrote a book about silver."

"He's a smart feller," commented the other. "He gave them Britishers fits, didn't he?"

"That he did," assented the blacksmith, whose name was Martin Clench, and whose deeply lined face and clear, blue eyes showed him to be a man of more than average intelligence.

"What do you think of it?" asked Clench's neighbor. "Strikes me the gold bugs haven't got a leg to stand on. You see, it's this way: Whatever the bankers don't want is a mighty good thing for the poor people to have, and the bankers don't want free silver."

"I'm not so sure about that," replied the blacksmith. "Bankers are in business to make money out of their banks the same as blacksmiths and all other tradesmen are, big and little, out of their shops. If people ain't doing well they don't need to use money in their business so they don't need to borrow from the banks. If they are doing well they have money to deposit or need more capital to increase and extend their business and they go to the banks. I'm not well enough posted to be on either one side or the other, but it strikes me that whatever would make the best times would be what the bankers would want. Banks don't smash when times are good—not as a rule."

This conversation was broken in upon by a man behind them, who also wanted to know the name of the speaker. He was given the information, and at once asked the question:

"What trade does he represent?"

"I don't know that he represents any trade," replied Clench.

"Then what is he doing here? This is a meeting of the Federated Trades Unions. I guess you must be mistaken."

"A jawsmith is his main holt," chipped in another man, who had taken no part in the demonstration which marked the conclusion of Mr. Coin's speech. This man was James Hobbs, a carpenter, noted among his fellows as a leader in labor's cause and an active member of the republican party. He was not a speaker himself, but a worker. Perhaps he may have been prompted somewhat by a feeling of envy, but certain it is that he felt and frequently expressed considerable contempt for those who in political or labor circles owed their prominence entirely to what he called "the gift of gab."

"Yes," he continued, "this here is some more of Burke's hunker-sliding. He's a free silver democrat himself and he lets this poll parrot talk to us to try to stampede us into the free silver crowd. How was it worked? I only got here late because I'm working on a job away out at South Chicago."

"Rafferty, of the Bricklayers, moved that as Mr. Coin was present that he should be allowed to talk, and the crowd yelled for him," replied Clench.

"Rafferty—I might have known it!" ejaculated Mr. Hobbs. "He's another poll parrot. You wait and see. I told the boys what we'd get when they elected Burke president. He'll pull politics into the Federation till the organization busts up in a row—that's what."

During this conversation there had been considerable confabbing on the platform between Mr. Coin, President

Burke, Michael Rafferty and others. But now the sharp tap of the president's gavel demanded order and Mr. Rafferty was recognized. In a flowery speech, which was by no means devoid of real Irish eloquence, he rapidly sketched the importance to laboring men of having a correct understanding of the issue which he said had been so ably represented to them that evening. Labor, he said, had remained out of partisan politics to its own hurt or had attempted the impossible of forming an independent party, equally to its own hurt. This financial question, he thought, was not one of partisan politics—it was a question which would split both the old parties and obliterate party lines and ties in a manner entirely new to political struggles in this country, except in one instance—the fight between the pro-and anti-slavery adherents. Congress, he said, frequently resorted to the appointment of commissions for the investigation of special subjects. The Federated Trades Unions amounted to a congress of labor, and he believed they might well take a leaf from the *Congressional Record*, so to speak, and for their own benefit appoint a commission of three members to investigate the subject of silver vs. gold and report back to this body within three weeks. He made a motion to that effect.

In an instant a dozen men were on their feet with arms outstretched toward President Burke and yelling "Mr. Chairman" with all the lung power with which nature had endowed them. A roar of "No! no!" rolled up to the roof and reverberated through the hall, and this was succeeded by cheers from that contingent to which Clench, the blacksmith, alluded as "the silverites," and Hobbs called the "Colorado push." Through all the din President Burke kept working away with his gavel

like a hired man, but pandemonium had broken loose and there was nothing for it but to wait until the excitement had worn itself out. That moment at length arrived, and a delegate from the Typographical union, Buckheimer by name, was recognized. He moved, in amendment, that a commission of three be appointed, to be selected by the chair, and that there should be one member an avowed silver man, the second an equally avowed gold man, and the third, to preside, whose neutrality on the subject was known and who would be accepted by the meeting. In the course of his remarks he said:

"If there is anything on earth that interests the workingman vitally it is this question of currency. When he goes home to his wife after a hard week's toil he wants to take in his hand the money for which he has sold the only thing he has to sell—his labor. And when he takes that money to his missus he wants to be sure that it will be accepted by the man at the corner grocery and meat market at 100 cents on the dollar. He doesn't want money that will be worth 105 cents to-morrow or the day after and 75 cents next week."

Here Hobbs interrupted by shouting: "And he doesn't want money that will give him $25 a week wages and make him pay $50 a month rent and send bread up to ten cents a loaf." This sentiment was loudly cheered.

"On the other hand," continued the delegate, "the workingman's interest is to have sufficient currency in the country to let business go on. If there isn't enough now we must find out how to get more and vote for the men who will give it to us."

After considerable discussion the motion of Delegate

Rafferty was put and carried as amended, and now came the appointment of "Labor's commission on coinage," as Delegate Rafferty christened it. President Burke named Rafferty to represent the silver element, and called for suggestions as to the other two members. Many names were submitted, but none seemed to arouse any enthusiasm until somebody shouted "Try Hobbs for gold." This suggestion was received with applause by the delegates who subscribed to the same political creed as did Mr. Hobbs, and the evident will of that section of the meeting was quickly confirmed by President Burke. But to find a man whose neutrality was sufficiently pronounced, if the paradox may be permitted, was a matter of much more difficulty. Delegate Buckheimer, the mover of the amendment, was proposed, but because he had sufficient independence to act first with one party and then with another, voting conscientiously on the issues presented without the slightest regard for what are erroneously termed "political principles," but which, in this connection, are properly denominated "partisan ties," he had got himself disliked on both sides of the political fence. Buckheimer was one of the most conscicencious of men, of considerable reading and naturally an independent thinker. Moreover, he had the courage of his convictions, so when he voted with the Republicans on some issue he also worked with them for the success of what he believed to be right, and followed a similar course when he believed it to be a patriotic duty to support the other political party. Men in his own and other labor organizations, less high-minded than himself, saw in this political independence only the evidences of corruption. This thought found a voice when Buckheimer's name was proposed. A delegate at the back of the hall

shouted "He'll turn his coat for the stuff!" and the cruel slander was greeted with a roar of laughter. Buckheimer was not chosen.

Meantime Delegate Clench had succeeded in getting into an argument with the man in front of him, and in his excitement had risen from his seat. President Burke, happening to look in Clench's direction, probably thought that the big blacksmith had a suggestion to make to the chair, and recognized him. "Delegate Clench of the Blacksmith's Union," he announced.

The business before the meeting being the nomination of the third member of the commission, a number of delegates in different parts of the hall, on hearing Clench's name, thought he had been chosen for the position. Clench's sturdy honesty and hard-headed common sense were well known and appreciated, so no sooner was his name announced than the delegates alluded to commenced to applaud. In a moment the applause was general, and Clench, bewildered a little, but still on his feet, uttered the single interrogatory:

"Sir?"

"I appoint you as the third member and chairman of the commission," said President Burke, who was ever eager to do what seemed to be the popular thing. In this instance he hit the nail squarely on the head, for the meeting endorsed the nomination with generous applause and called on the nominee for a speech.

"I'm not much of a speechmaker," began the blacksmith, "and yet I ain't a dummy. If I had more education I'd talk better. As I haven't got it I content myself with thinking things out and finding out the truth as far as a plain man can. Now, on this question I'm no good—I ain't enough posted to know which side

has the best of it, so you'd better appoint somebody more qualified for the job, Mr. Chairman."

"You are just the man we want," declared Harvey Coin.

"What have you got to do with it?" shouted Hobbs. "You keep still. You've had all the say you're going to have this evening," and with that he sat down again, very red in the face from the effort of making even so brief a speech as this.

"I'll convert you to silver," replied Coin flippantly. "The first thing you know you'll be carrying the banner of the new party that is destined to redeem this country from the clutches of the creditor class." This sally was applauded, but as soon as he could be heard Delegate Hobbs retorted by saying: "I always pay my honest debts, and when a country gets to have less honor than a poor carpenter it's in a mighty bad way, friend Coin." This got the laugh on Mr. Coin, who since the success of all he had worked for—the appointment of a committee of workingmen to investigate—had been growing more and more bumptious every minute.

After the meeting had adjourned the newly appointed commission assembled on the platform which Harvey Coin had not yet deserted. Before anything was done, however, Mr. Coin drew Commissioner Rafferty aside, and a whispered conversation took place. From the gestures of the two men, subdued though they were, and the frequently nodded assent of Rafferty, it was evident to a careful observer that Coin was instructing his disciple in the course which he should pursue.

At length Chairman Clench called the commission to order and asked for suggestions as to ways and means of conducting the investigation. Though not invited,

Harvey Coin, with consummate assurance, drew up a chair at Commissioner Rafferty's elbow and prepared to offer suggestions whenever an opportunity presented itself.

Commissioner Hobbs eyed the interloper askance, and after several more or less apologetic coughs said: "Mr. Chairman: I notice that there is an outsider present. This, I take it, is an executive session, and I think no stranger should be here."

"Oh!" exclaimed the cheap money man, before Chairman Clench had time to reply, "If my presence here is disagreeable to the gentleman I will withdraw. I had no idea that this investigation was to be a hole and corner affair in the interests of Wall street and the British bondholders." As he said "British bondholders" he glanced keenly at Rafferty and was gratified to see a sudden flush of color in his cheek. Rafferty was a patriotic son of the Emerald Isle, and an inveterate enemy of everything which typified the strength and power of the British lion.

"This will be no hole and corner investigation so far as I am concerned," he declared. "We are appointed for the purpose of revealing, not concealing, facts; and so long as the gentleman does not interfere with the business of this commission, I can't see that anybody is hurt by his presence."

"He may not interfere with the commission," retorted Hobbs, "but he will interfere with you. He is sitting there to prompt you."

"I don't need any prompting, Mr. Hobbs. If you attend to your duties as well as I shall to mine you won't have any cause to blame yourself when all is over," Rafferty replied. "Even if Mr. Coin did suggest some-

thing to me, if I am willing to accept his suggestion and father it, how can that hinder the investigation we have undertaken? It will help instead of hindering. I leave it to the Chair."

"I don't see that Mr. Coin can do any harm," was the big blacksmith's decision, "but if Mr. Hobb's don't want him, why, for the sake of harmony, we'd better not ask him to stay. Anyway, I was going to propose that we'd all better go home and think this over. Then let us meet here at 10 o'clock tomorrow and lay out our work."

This was agreed to and the first meeting of Labor's Commission on Coinage, held Tuesday, April 23, 1895, adjourned.

CHAPTER I.

FIRST DAY'S PROCEEDINGS OF LABOR'S COMMISSION ON COINAGE.

As the three commissioners were about to separate for the night, Harvey Coin drew President Burke of the Federation aside and held a whispered conversation with him, which lasted until the three commissioners had reached the door, still chatting over their plans for effectively pursuing the investigation. Between Commissioners Hobbs and Rafferty there was already a feeling of deep-rooted hostility, and Chairman Clench foresaw that in all probability he would have his hands full in keeping the peace between them.

This showed itself when they reached the foot of the stairs and stood on LaSalle street, the meeting having taken place in the Industrial World building. Rafferty hung back instead of walking to the corner with his companions, as he had been accustomed to do.

"Ah," said Hobbs, "waiting to get your instructions from your leader, are you? I suppose, though, we couldn't expect much else than that Cheap Money Coin would succeed in getting a proxy on the commission."

Rafferty made an angry retort, as might be expected. "You don't need to talk, Brother Hobbs," he said bitterly, "you and the whole breed of Wall street pups wear the British collar wherever you go."

"Come, come," interposed Clench as he pushed his way in between them by main force. "What's the sense

of you two chaps calling names? Drop it now. You're on opposite sides of the question, but that's no reason why you should scratch each other's eyes out, either in private or public. It's only natural that Rafferty wants to consult with his friends, and that you, Hobbs, will consult with yours. As for me, I'm open to conviction either way, and the boys put me into the investigation to see fair and bring out the facts as clearly as I can for their benefit. The time has gone by when politicians like you fellows can lead your mates like a flock of sheep on an election cry, and you'll both have all you can do to get your side of the case put as strongly as you can without wasting time in quarreling like school boys."

At this moment Harvey Coin emerged from the building and, slipping his arm through Rafferty's, the two bade the others good night and left President Burke with Clench and Hobbs to talk over the extraordinary action of the meeting. This was the first time on record that labor had tried any such experiment, and all were anxious to see the outcome.

Meantime, Rafferty and Coin had crossed over on Randolph to Clark street, and were engaged in an earnest conversation.

"We have succeeded wonderfully," said Coin, "in everything we have undertaken. The entire West and South are aroused, and we shall at last be able to play a pretty solid South and West against the Eastern money bags. I don't think anything can prevent Hinrichson's scheme of committing the Illinois Democracy to free silver, from carrying through; and with Illinois Democrats in line the Populists are bound to ally themselves with the Democracy. Then, the Inter Ocean is making hundreds of converts in the Republican ranks daily, and,

with protection out of the way as an issue, we'll simply carry the farmers and labor classes—every man who is poor or in debt, into our movement in a body, no matter what their former party affiliations may have been."

"Perhaps," replied Rafferty tersely.

"What do you mean by that? Are you losing faith already?" inquired Coin with a searching glance at his companion.

"No," replied Rafferty, "but everything depends on the success of this bold move. Clench is the worst and at the same time the best man they could have chosen for chairman. He represents the great mass of voters who go to the ballot box and vote their conscience. That is the class which came into existence a few years ago when the paster and the vest pocket vote showed the politicians that their reign was coming to a close, and that they might as well drop their opposition to the Australian ballot law and other measures devised by advanced reformers for the very purpose of exterminating the professional politician at no distant day. It is not the hide-bound party men, but men like Clench who carry elections now-a-days. The wisest of the 'old heads' are all at sea when it comes to foretelling what the people will do at the polls. Look at the civil service law. Why, at 4 o'clock on election day every politician in town and every newspaper, too, for that matter, thought it had been badly beaten. What were the facts? The Martin Clenchs and men of his stamp had voted solidly for the law and it went through by a four-fifths majority. If we don't pull Clench over we'll be in the hole."

"That is all very true," assented Coin. "But don't forget that in hard times every man is with your fellow-countryman 'agin the government,' and the present administra-

tion is committed to gold. If another party offers a plan that looks as if it would make money plentiful and provide lots of employment, the great mass of the voters is likely to give it a trial on general principles. But where a party can demonstrate that its plan surely and certainly will cut off and blot out one-half of every man's debts, these same fellows who vote their conscience will just tumble over each other to get into the wagon. Every man has his price and most of them are cheap."

This brought the speakers to the Boston oyster house, and they went down stairs to eat a lunch and lay out their plans for conducting the investigation in the interests of free silver. After they had got comfortably fixed Rafferty continued the subject, in which both were absorbed by saying: "How do you propose to run this investigation?"

"Why, you must call the strongest men you can get to present our arguments for all there is in them. Send out letters—here, I'll give you a list that I have made out. Hobbs will be sure to do the same with his side of the case and I'll always will be on hand to chip in with a clincher or a knock-out blow whenever I see that it is needed."

"This is a pretty good list," said Rafferty, glancing at the type-written memorandum, "but these men won't all be here in town."

"Won't they?" replied Coin. "You bet they will! The men who pull the wires from Denver have arranged that all these people will be in Chicago during the next fortnight or so—merely by accident of course. The gold bugs, never suspecting any such move on our part, will be caught napping, and they'll have to depend entirely on local talent. That is just where I live—why, there isn't a gold bug in Chicago that I can't play with. The fact

is that they haven't paid any attention to the question in detail. They can argue off hand, of course, on the general proposition, but they aren't fortified with figures, and the result is that when I spring my statistics on them they look foolish. I shouldn't wonder if they feel just as foolish as they look." With this superb piece of egotism Harvey Coin threw himself back in his chair and puffed up his chest in a manner which reminded one of the foolish frog in Œsop's fable.

"Are those statistics as dead sure as you claim?" asked Rafferty, after a pause.

"Oh, they're close enough," was the reply. "None of the gold bugs around this neighborhood have been able to disprove them, though I've been sending them out broadcast for months. Don't you worry about my figures for that's where I shine. Now, I'll tell you what you must do. Insist that the sessions of your commission shall be informal and that you will hear the evidence of whatever witnesses may be in attendance on any given point under discussion. For instance—suppose that I take the stand to-morrow as soon as you have agreed on your method. Well, I give evidence on certain points and am careful not to cover too much ground, savey? Then, if the sessions are informal, it leaves the way open for me to jump in and contradict any gold bug witness on any point and produce my statistics right then and there. I want to be right in the front of this investigation all through because it means a big thing for me, and you too, if we can get the solid indorsement of the trades unions."

"I see that plainly enough," replied Rafferty. "It ought to be a good thing for me and Burke as well. There's a smart politician for you. Did you notice how smoothly he got you before them to-night?"

"Why wouldn't he? I'm a famous man, this minute; and, besides, I wrote out his little speech and gave him all the points. Well, I must be off. I've got a call to make at the Auditorium before I go home," saying which he picked up the two checks and went to the desk where he paid the bill and procured some cigars, a handfull of which he forced Rafferty to take.

"Ten o'clock," he said.

"Ten o'clock," repeated Rafferty. "Don't get there later," and with this they separated, Rafferty going to his home in the 19th ward and Coin to the Auditorium hotel.

A few minutes later the latter gentleman found himself in a luxurious apartment on the parlor floor of this modern palace closeted with three western men either one of whom could then and there have given his check for the Auditorium block and the land it stands upon. One of the trio wore a diamond in his shirt bosom as large as a hazelnut. The other two exhibited better taste.

"Well, did you get them?" inquired the man with the kohinoor.

"I did," replied Coin. "I always get what I go out for."

"What did they cost?" inquired the bonanza silver multi-millionaire, watching the play of light from his diamond as it was reflected in a magnificent French plate mirror.

"The expense won't trouble you," returned Coin with a smile, "for my total outlay was exactly $2.25."

"What?" almost shouted the three men of millions in chorus.

"That's every cent it cost and the whole thing went through as if it had been greased. What's more, unless the commission submits the report I write it won't cost

anything further—unless, perhaps, hall rent or some trifle of that sort. I propose to circus this discussion and work up such a crowded attendance that we'll have to rent the Auditorium or Battery D to accommodate the audience."

"That's a great idea. Well, you know what it'll be worth to you if the report of this labor committee, or whatever you call it, indorses free coinage at 16 to 1," said the man with the big diamond, rubbing his hands in glee at that delightful prospect.

"I can read typewriting," said Mr. Harvey Coin, "and know a good contract when I see it, even if I'm not a lawyer."

"If we get free coinage," began a wiry little man—

"If we get free coinage," broke in the bejeweled one, "I wouldn't take $30,000,000 for what I own, provided we can stave off a panic for six or seven years."

After a brief conversation during which the four discussed Coin's programme for the coming investigation, the worthies separated for the night to dream of the money they would make when free coinage would cut down all debts one-half, raise all prices one-half, and thus make the wages of the laboring men and the vast army of wage-workers whose votes they had conspired to capture worth only one-half in purchasing power of what they were that night. As for themselves, each saw himself in his dreams ten times richer than Crœsus and hobnobbing with the aristocracy of Europe, particularly of England—the very people whom their paid advocate, Harvey Coin, was just at that time denouncing as blood-suckers, vampires, moneybags and the dear above only knows what else, principally with a view to "getting solid" with the Irish vote through the natural prejudice of Irishmen against

the class mainly responsible for the pitiable condition of the land they love so well.

* * * * *

Promptly at ten o'clock on Wednesday morning Chairman Clench called the commission to order in the little Hall in the Industrial World building on LaSalle street. The able daily organ of repudiation in Chicago, the Silver Howl, had contained a two-column account of the proceedings of the night before, including the news of the appointment of the commission and Harvey Coin's speech. Those who had been present noticed that although they thought they had paid particularly close attention to the speech, they had missed a good deal of brilliant repartee reported in the paper. On numerous occasions had Mr. Coin been interrupted by evil disposed emissaries of the gold bug party, according to this veracious report, who had plied him with questions, apparently unanswerable, and propositions that would have given Adam Smith, Bastiat or any of those old duffers a headache. But did they succeed in bothering young Mr. Coin? Oh, dear no! It is true they covered almost every phase of commerce and finance, but what of that? Harvey Coin had literally whole cords of statistics at his tongue's end with which he first confounded his questioners and then turned the laugh on them with a witty remark which, to quote the erstwhile "hyphenated contemporary," "sent the packed audience into convulsions of laughter." These happy retorts had doubtless appeared in the typewritten report of the speech supplied by its author to the paper several hours in advance of its delivery.

The effect of the publication of this report, however, had produced a result already. The little hall was packed

and not alone by silverites, or "the Colorado push," as Commissioner Hobbs called them, nor by workingmen. There were several well known gold standard men in the throng, men who had for months been watching the rapid progress of free silver's aggressive campaign and, in view of recent developments, had suddenly become anxious about what was likely to happen.

Nor had Commissioner Hobbs been altogether idle. After Coin and Rafferty had left them, President Burke, Clench and Hobbs had discussed the investigation, and Hobbs had been drawn into an argument of the issue with Burke, himself a rabid free coinage Democrat. In the course of the discussion Burke lost his temper and let out a good deal more of the plans of Coin and himself than he had intended. The result of this was that as soon as Clench and Hobbs parted with him the latter said:

"I'll bet my life they've got their witnesses ready and their evidence cut and dried, and they'll begin to spring it on us tomorrow on the excuse that there isn't any time to lose."

"The excuse is good, too," replied Clench, "there isn't much time to lose if we're to report in three weeks. Besides, you'll have lots of opportunity to answer."

"That isn't the point," urged Hobbs. "There's only one fair way to do this and that is to shake the life out of each argument in favor of one side or the other as it comes up. If we proceed like a law court, have one side get in all of its evidence and then the other, and then more on the first side and more again on the second, the thing'll drag on till winter through waiting for witnesses and all that." To this proposition Clench assented. He would much prefer a running debate and so get a chance to make up his mind as the discussion went

along. Thus, unconsciously, when the meeting began each side was prepared to spar for this very opening, when, to the surprise of Coin and Rafferty, Chairman Clench proposed that the investigation should be conducted on what he termed the "go as you please" plan. Both sides, of course, consented, and Commissioner Hobbs, who had a little surprise in store for Mr. Coin, looked anxiously through the audience and only appeared relieved when he saw a tall, soldierly looking man, accompanied by a clerk, elbowing his way through the crowd. Mr. Hobbs soon procured a table and chairs, which were placed in front of the platform for the convenience of witnesses in waiting and the stenographers, of whom each side had secured one, and an agreement was entered into that these reporters should relieve each other.

In a halting speech, during the delivery of which he looked supremely uncomfortable, the big blacksmith declared the purpose of the commission, the manner of its appointment and the plan on which it would proceed. He then asked if there was any person present who desired to testify on either side, and almost before the words were out of his mouth Harvey Coin bobbed up like a jack-in-the-box and announced his willingness to tell the commission all about the silver question, from beginning to end.

Hobbs looked grim, but made no objection; so, with an easy, confident air, the jaunty little walking encyclopedia of universal silver information and dictionary of more or less reliable statistics combined, struck an attitude at the right of the witnesses' table and asked if he would be allowed to speak from the platform, as he "always felt more at home when facing a crowd." The request was granted, and, "springing lightly to the plat-

form, with his noble young face aglow with patriotism and inspired purpose," as Mr. Coin himself would doubtless describe it, were he writing a book on the subject, he stood, like the statue of liberty in New York harbor, prepared to enlighten the world.

"In money," he began, "there must be a unit. In arithmetic those of you who have passed a few months, or even weeks, perhaps, in the public schools have been taught what a unit is." Turning to Clench, he said: "Couldn't you send out and get me a blackboard and some chalk, Mr. Chairman? I want to show the audience what a unit is. Some of them are really besotted in their ignorance on the subject of units, don't you know?"

Chairman Clench sent for a blackboard, and the voluntary witness proceeded to give the two stenographers something to do.

"In arithmetic the figure 1 is a unit. A unit," Coin continued, "in mathematics, was a necessity as a basis to start from. In making money it was equally as necessary to establish a unit. There is an axiom of political economy, a science of which I am a complete master, to this effect—'no money no unit, no unit no money.' Now, I hope you all understand what a unit is." Turning to the commissioners, he continued, "Those who don't understand about the unit, hold up your right hands. No hands up? Good—you have captured the idea of the unit hands down!

"But as I was saying, the constitution gave Congress the power to 'coin money and regulate the value thereof.' Congress adopted silver and gold as money. It then proceeded to fix the unit, and the unit has staid fixed ever since.

"That is, it then fixed what should constitute one dollar, the same thing that the mathematician did when

he fixed one figure from which all others should be counted. Congress fixed the monetary unit to consist of 371¼ grains of pure silver, and provided for a certain amount of alloy to be mixed with it to give it greater hardness and durability. This was in 1792, in the days of Washington and Jefferson and our revolutionary forefathers, who had a hatred of England and an intimate knowledge of her designs on this country." Here he glanced at Rafferty and felt certain that he had one member of the commission safely hypnotized. He continued:

"One of the first things they did was to make 371¼ grains of silver the unit of values. That much silver was to constitute a dollar. And each dollar was a unit."

At this moment a big, doubled-jointed teamster who had pushed his way up to the platform, carrying a blackboard, interrupted the witness by saying:

"Can I ask you a question, mister?"

"You can if you have a tongue, and you may if you choose," replied Mr. Coin in a burst of pleasantry and joyous generosity.

"Honest to gracious, now, is a unit a silver dollar?"

"Not always; but a silver dollar is always the unit."

"Is that so?" mused the teamster. "Well, I guess I'd better mosey or my boss won't give me my regular number of units Saturday night." And he departed from the midst of a grinning audience. Coin looked annoyed but continued as if nothing had happened to interrupt him.

"They then provided for all other money to be counted from this unit of a silver dollar. Hence, dimes, quarters and half dollars were exact fractional parts of the dollar so fixed."

Here Chairman Clench interrupted the witness by asking this question:

"You say, Mr. Coin, as I understand it, that Congress fixed 371¼ grains of silver as the unit of money, and that the man that wrote the arithmetic fixed the figure 1 as the unit of figuring. What was the figure 1 made of? Chalk or ink or lead pencil or what?"

"It doesn't matter what the figure 1 was made of," replied Coin hastily, "it was only established as a unit."

"Then," said Clench, "why does it matter what a dollar was made of? It, also, was only established as a unit." Coin looked wilted as he replied, "I'll come to that point later on," and continued his free silver argument as follows:

"Gold was made money, but its value was counted from these silver units or dollars. The ratio between silver and gold was fixed at 15 to 1 and afterward at 16 to 1. So that in making gold coins their relative weight was regulated by this ratio.

"This continued to be the law up to 1873. During that long period the unit of values was never changed and always contained 371¼ grains of pure, or 416 grains of standard, silver. While that was the law it was impossible for any one to say that the silver in a silver dollar was only worth 47 cents or any other number of cents less than 100 cents or a dollar. For it was itself the unit of values, that silver dollar, and the money of the constitution."

"Excuse me, Mr. Coin," interrupted Commissioner Hobbs; "but you say that the silver dollar is the money of the constitution. I have here a copy of the constitution. Will you please point out the section in which the silver dollar is made the money of the constitution?" He handed the book to Coin, who first reached out to take it,

then drew back his hand and thrust it into his pocket, at at the same time biting his lip in his annoyance. At length he spoke.

"We use the term 'money of the constitution' because the constitution gives congress the power to 'coin money and regulate the value thereof.' Congress coined the silver dollar under that constitutional power, and it has been construed that, as the silver dollar was fixed as the unit of value in this way, it became the money of the constitution."

"Who so construed it?" asked Commissioner Hobbs, who is a gentleman of an inquiring turn of mind.

"I did," replied Coin, proudly.

"Just as I thought," said Commissioner Hobbs. "Well, as Congress also coined gold under the same constitutional power isn't gold also the money of the constitution?" he continued.

"Gold isn't a unit," replied Coin.

"You greatly misunderstood me if you thought I said it was. What I want to know is whether gold money or a gold dollar isn't just as much the money of the constitution as silver money or a silver dollar?" insisted Hobbs.

"I don't construe the constitution that way," was Coin's reply. Then he shut up like a clam and took his seat. The hard headed carpenter had been able to see through his illogical, silly sophistry and attempted false pretense as to the constitutional status of silver. Coin was badly "rattled." Commissioner Hobbs now whispered to Chairman Clench and the latter nodding his head, as if in answer, advanced to the front of the platform.

"If Mr. Adlai T. Ewing is in the audience the commission would like to hear from him," said the chairman. The eminent lawyer made his way to the platform, fol-

lowed by his clerk, who carried a number of books which he placed on the reporters' table. Mr. Ewing bowed to the audience and shook hands with labor's representatives.

"The cause of labor," he said, "has once more honored itself by the appointment of this commission to inquire into the truth or falsity of the claims of these gentlemen who are trying to induce the people to exchange their honest money for that which is cheap, debased and dishonest. I shall be most glad if I can throw any light upon the subject which will aid you in arriving at a just conclusion in the matter."

"We are obliged to you," said Chairman Clench, "though I was afraid that Commissioner Hobbs hadn't given you enough time to prepare your answers to his questions."

"I have made a careful note of the questions," replied the lawyer, "and, as requested, have brought with me the books which answer them. It has just been stated by this witness, Mr. Coin, that Congress by law established as the unit of our money 371¼ grains of pure, or 416 grains of standard silver, and called the name of that money unit a dollar."

"That's just it, exactly," interrupted Commissioner Rafferty. "That is the foundation of the whole claim, and it has never been disproved by you gold standard gentlemen. It is unanswerable."

The learned lawyer smiled amusedly as he selected one of his books, a small octavo volume, printed on handmade linen paper, whose ink had turned brown with age. No wonder—it was over a hundred years old.

"The contention is so absurdly at variance with well known historical facts," said Mr. Ewing, "that until the nonsense talked by Mr. Coin gave it prominence nobody

ever took the trouble to contradict it. This little book," he continued, holding it open at the title page for Commissioner Rafferty's inspection, "is the tenth volume of the *Journals of Congress*, the congressional record of those glorious patriots who were the fathers of this great Nation. Turning to pages 157 and 158 we find the first record of what Congress settled should be the unit of our money in the following words." He then read this extract:

"'Wednesday, July 6, 1785, Congress took into consideration the report of the grand committee on the subject of a money unit; and on the question, That the money unit of the United States of America be one dollar, the yeas and nays being required by Mr. Howell, every member answering aye, it was

"'*Resolved*, that the money unit of the United States of America be one dollar.

"'*Resolved*, that the smallest coin be of copper, of which 200 shall pass for one dollar.

"'*Resolved*, that the several pieces shall increase in a decimal ratio.'

"This is the record of the establishment of our unit of money," continued Mr. Ewing, "and if our friend, Coin, is not trying to fuddle us with false logic, if the process by which he reasons out his silver dollar theory is sound, he is bound to admit that he did not go back far enough, and that what Congress really did do was to establish a copper dollar consisting of 200 subdivisions."

A roar of laughter greeted this self-evident proposition, and Harvey Coin looked very much like the man who came into unexpected contact with a bucket of ice water.

"It was not any certain number of copper coins," continued Mr. Ewing, "nor any fixed quantity of gold or silver, nor any words which should be printed on paper or

other material, which Congress thus established as the unit of our money. It was simply the unit itself—one dollar. Not a copper dollar, a silver dollar, a gold dollar nor a paper dollar—that was not the point. Congress was making a change from the clumsy English system of pounds, shillings and pence, and, as the last clause of the resolution shows, establishing the more simple and convenient decimal system."

Another round of applause, followed by a buzz of excitement, swept through the crowded audience. Coin, who was seated next to his attorney, Clarence Darrow, carried on an eager conversation with him in whispers for a few moments, and then sprang to his feet with a triumphant gleam in his eyes.

"What year was that?" he demanded, trembling with excitement.

"1785," replied the witness.

"Then it doesn't apply," declared the bumptious little fellow, "for the constitution was not adopted until September 17, 1787!" Coin, who had stepped forward as he spoke, strutted back to his seat with the air of a man who has stormed a masked battery single-handed and still lived to tell the tale.

"The coinage act," he continued, "was not passed until March 4, 1792, and in that act it was that Congress fixed the monetary unit of 371¼ grains of pure silver or 416 grains of standard silver. That much silver was to constitute a dollar and each dollar was a unit." With a triumphant expression of countenance and a ridiculous little swagger, the spectacular Mr. Coin resumed his seat. The keen witted lawyer had smiled pityingly as the argument, which was composed of equal parts of bounce and bumptiousness, proceeded, and it was with real commis-

eration in his voice for the ignorance of his opponent that he replied.

"Fact and fiction are so intimately interwoven in the statements of my misguided young friend," he began, "that I find it difficult to determine whether his misstatements are the result of ignorance or deliberation. For instance, he wants us to believe that this Nation was not born until the seventeenth day of September, 1787. I have always been taught to celebrate the birthday of my country on the fourth of July, and to fix its date at 1776. Having been set right by Mr. Coin, however, I have no doubt that the other 67 millions of us will at once revise our calendar to meet his views."

This sally was greeted with a roar of laughter, and the witness continued: "The United States of America did not begin their existence with the adoption of the constitution, but with the signing of the Declaration of Independence, and the Congress of the Confederation had full power delegated to it to act in the matter of establishing a system of money, a coinage and a paper currency. It not only had the power, but it acted. It issued paper money, raised loans and paid debts. It enjoyed and used every parliamentary prerogative as the representative of the whole people, and did all this in the name of the United States of America. After the constitution was adopted and the country was restored to tranquility, after those sturdy sires of ours had held the power and glory of England so cheap that with their little patriot few they had dared her and had driven her redcoats from the free soil of a free people, Congress found time to turn its attention to the coinage of money on its own account.

"Up to this time the only coins had been Spanish silver and gold, with a few stray pieces of French and

British gold, together with a vagrant copper coinage culled from the coffers of half a dozen different nations.

"On the adoption of the constitution all the acts of the Congress of the Confederation had been ratified, among them those establishing the decimal system of enumerating money, with the dollar as the unit. Not a silver or a gold or any other kind of a dollar had been established, as I have already pointed out, not 371¼ grains of silver or 24.7 grains of gold, which was afterwards established by Congress as the gold dollar, but, in the language of the resolution, 'one dollar.' Why, in the index to this book," and here he opened it at the letter M and pointed it out to the three commissioners, "the matter is referred to in this way: 'Money unit to be a dollar,' not 'Money unit to be 371¼ grains of silver,' as it would be were Mr. Coin's assumption correct.

"On Tuesday, August 8, 1786, Congress passed the following:

" '*Resolved*, That the standard of the United States of America, for gold and silver, shall be eleven parts fine and one part alloy.

" 'That the money unit of the United States, being by the resolve of Congress of the 6th July, 1785, a dollar, it shall contain of fine silver $375\frac{64}{100}$ grains.

" 'That the money of account to correspond with the division of coins, agreeably to the above resolve, proceed in a decimal ratio, agreeably to the forms and manner following, viz:

" '*Mills*—The lowest money of accompt, of which 1,000 shall be equal to the federal dollar or money unit 0.001

" '*Cents*—The highest copper piece, of which 100 shall be equal to the dollar 0.010

" '*Dimes*—The lowest silver coin, 10 of which shall be equal to the dollar 0.100

" '*Dollar*—The highest silver coin 1.000

" 'That betwixt the dollar and the lowest copper coin as fixed by the resolve of Congress of the 6th July, 1785, there shall be three silver coins and one copper coin.

" 'That the silver coin shall be as follows: One coin containing $187\frac{32}{100}$ grains of fine silver, to be called A Half Dollar. One coin containing $75\frac{28}{100}$ grains of fine silver, to be called A Double Dime; and one coin containing $37\frac{560}{1000}$ grains of fine silver, to be called A Dime.

" 'That the two copper coins shall be as follows: One equal to the 100th part of the federal dollar, to be called A Cent; and one equal to the 200th part of the Federal dollar, to be called A Half Cent.

" 'That two pounds and a quarter avoirdupois weight of copper shall constitute 100 cents.'

"You observe," said Mr. Ewing, as he paused in his reading for a moment, "that if we adopt Mr. Coin's reasoning for the establishment of 371¼ grains of silver as the unit, and having distinctly shown that he did not go back far enough, he is now bound to admit that he was mistaken, and to revise his statement so that it reads: 'Copper was established as the unit of value of our money. Two pounds and a quarter of the red metal was constituted one dollar, and every dollar a unit, and that unit has never been changed.' "

There was another roar of laughter and applause as the witty lawyer made this telling point.

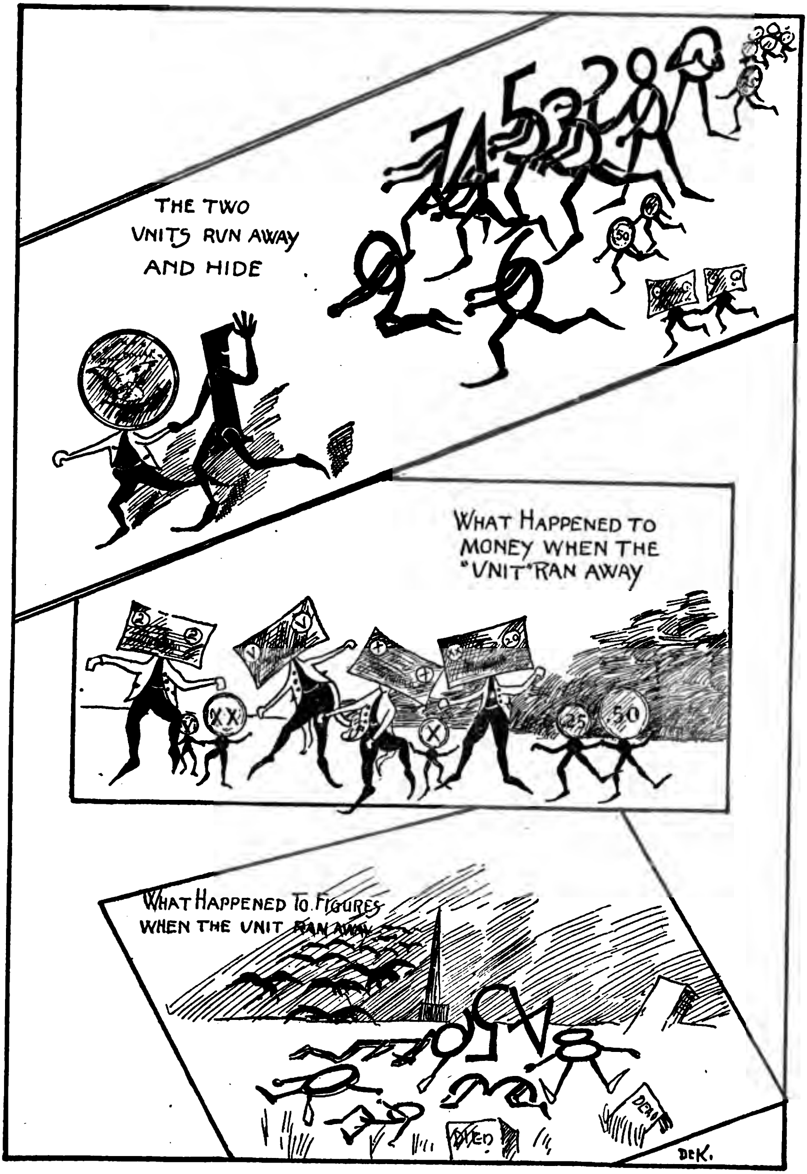
" After he and his friends succeed in their efforts to get fifty cents worth of silver freely coined into one hundred cent dollars, without limit, at a ratio of 16 of silver to 1 of gold, their next move will doubtless be to egg on the cop-

per miners to agitate for the free and unlimited coinage of their product at a ratio of two pounds and a quarter avoirdupois, of fine copper, worth about 32 cents, to 371¼ grains of fine silver, worth about fifty cents, or 23.2 grains of pure gold, worth one hundred cents, and that this money shall be legal tender to any amount. They can find just as good authority for copper coinage as for that of silver along the same line of reasoning. They will find support, not only in this act of Congress establishing 2¼ pounds of copper as the unit of value, but on the free silver argument that because silver was once valuable in the proportion of 16 to 1 of gold, it ought to be still coined at that ratio, so copper, which was at a ratio of 2 to 1 of gold when the Spaniards invaded Peru, may also be, to quote their pet expression 'rehabilitated and restored to its full value and money function by free and unlimited coinage at a parity with gold and silver.'' This caused another roar of laughter, mingled with cheers, as the full absurdity of the free silver position became plain to the attentive and intelligent audience.

''The remaining clause of this act,'' resumed Mr. Ewing, ''reads as follows:

'' 'That there shall be two gold coins: One containing $246\frac{268}{1000}$ grains of fine gold, equal to 10 dollars, to be stamped with the impression of the American eagle, and to be called An Eagle: One containing $123\frac{134}{1000}$ grains of fine gold, equal to 5 dollars, to be stamped in like manner, and to be called A Half Eagle.'

''This act recognizes the unit and fixes the amount of copper, silver and gold which it shall contain at 2¼ pounds, avoirdupois, of copper, $375\frac{64}{100}$ grains of fine silver and $24\frac{626}{1000}$ grains of fine gold. I defy Mr. Coin or anybody else to find in it any excuse whatever for the


THE TWO UNITS RUN AWAY AND HIDE
WHAT HAPPENED TO MONEY WHEN THE "UNIT" RAN AWAY
WHAT HAPPENED TO FIGURES WHEN THE UNIT RAN AWAY
DEK.

Under free Coinage of Copper Mrs. Smith goes out to buy a pound of steak,

Mr. Smith takes along the cash to pay for it in the family wheelbarrow.

absurd statement that the unit of our money was denominated as so much silver. If he can do so to his own satistion I advise him to swear off thinking and take the gold cure without delay," concluded the clear headed lawyer as he handed the book, opened at the page from which he had quoted for the inspection of the three commissioners.

Coin was furious. In this knock-down blow he recognized the interesting truth that war had been declared on his mistatements of fact, and that logical arguments on true foundations must inevitably crush all the life out of his plausibly constructed fairy tales. Something must be done to stem the tide. As he had himself concocted the silver unit idea he felt all the pride of a parent in his offspring, even though this child of his imagination was illegitimate and spurious. While he was rapidly revolving in his mind some plan of reply, his friend, Commissioner Rafferty, came to his relief.

"Do I understand you to say, sir," he asked, "that it was this act under which our mint was established?"

"I did not make that statement," was the reply, "nor would it be strictly true."

"I thought not," said Rafferty. "Now, sir," he went on with the air of a man who has made an important discovery, "I presume you neglected to bring with you the act of 1792 under which our mint was actually established."

"Your presumption, then, is in error, sir," replied Mr. Ewing. "I have here the original act as printed at the time. This is the third volume of the "Debates and Proceedings in the Congress of the United States." It reports the second Congress from October, 1791, to March, 1793, inclusive. Turning to pages 1351-'2-'3-'4-'5 and '6 of the appendix we find the full text of 'An Act Establishing

a Mint and Regulating the Coins of the United States' approved by President George Washington, April 2, 1792. You will observe that this act is not for the purpose of establishing a system of money, nor the unit of that money, nor even for establishing a coinage. Those things had already been done by a former Congress, and this act was for the purpose of putting into effect the work of their predecessors and 'regulating' the coinage they had already provided for by law by bringing the amount of gold and silver in the coins into conformity with the ratio of the value of the two metals as they then sold in the markets of the world. The previous Congress had resolved that $375\frac{64}{100}$ grains of silver should be contained in (not *be*) a dollar, and that an eagle should contain $246\frac{263}{1000}$ grains of gold. The congress of 1792 changed these proportions to $371\frac{4}{16}$ and $247\frac{4}{8}$, respectively. The unit of value was not reaffirmed, but taken as already settled by the means I have shown, and so were the names of the various coins. This work had been already done and well done. It would have been folly to do it over again.

"'Section 9 of the act is the only one which touches on this branch of the subject. I will read you the section complete.

"'And be it further enacted, That there shall be from time to time struck and coined, at the said mint, coins of gold, silver and copper of the following denominations, values and descriptions, viz: Eagles, each to be of the value of ten dollars, or units, and to contain 247 grains and $\frac{4}{8}$ of a grain of pure, or 270 grains of standard gold; Half Eagles, each to be of the value of five dollars, and to contain 123 grains and $\frac{6}{8}$ of a grain of pure, or 135 gains of standard gold; Quarter Eagles, each to be of the value of two dollars and a half dollar, and to contain 61 grains and $\frac{7}{8}$ of a grain of standard gold; Dollars, or

Units, each to be of the value of a Spanish milled dollar, as the same is now current, and to contain 371 grains and $\frac{4}{16}$ parts of a grain of pure, or 416 grains of standard, silver; Half Dollars, each to be of half the value of a dollar, or unit, and to contain 185 grains and $\frac{10}{16}$ parts of a grain of pure, or 208 grains of standard silver; Quarter Dollars, each to be of one quarter the value of the dollar, or unit, and to contain 92 grains and $\frac{13}{16}$ parts of a grain of pure, or 104 grains of standard, silver.' "

"Excuse me," interrupted Chairman Clench, "If my two mates, here, are satisfied, I am, and there is no need to read any further on this point."

"I surely am," assented Hobbs with emphasis.

"I've heard enough law quoted," said Rafferty, "but I am not quite clear on your conclusions. Would you mind summing them up?"

"With pleasure," replied the lawyer. "Congress, by resolution of July 6, 1785, established the decimal system of money with one dollar as the unit. The first metal in which the value of that unit was expressed was copper, neither silver nor gold being mentioned. On August 8, 1786, Congress advanced the coinage question several steps by determining the fineness of the standard gold and silver, and denominating the quantity of silver, gold or copper which should be contained in a dollar, that being the agreed abstract unit of value. By the same act the other coins were named in a decimal system or ratio, and the amounts of gold and silver they were to contain determined. March 4, 1792, it being then expedient to begin coinage, Congress passed another act specifying in detail how the mint should be established and conducted. It also added to and amended the two former acts in reference to the weights of gold, silver and copper in the

various coins. At the same time it confirmed, by its silence, all those parts of the two previous acts which it did not amend; including the abstract unit of value, which was and is as abstract as the unit of arithmetic, and the names and designs of the coins and the decimal system. If any preference was shown, it was shown to copper, whose coinage and value, as compared with the unit, was first provided for. The above being the enactments of Congress it matters little what the opinions of individuals who debated the question may have been. But it may be interesting to know that Alexander Hamilton, the first secretary of the Treasury, favored making a gold dollar the unit of value and had many supporters. He maintained that gold was more stable than silver, an opinion which has since been fully justified by the facts, while his opponents, the two Morrises, Jefferson and others wanted silver named. The result was that Congress determined to adopt neither metal, but on the contrary, enacted a double standard, with gold and silver on a parity *at their then commercial ratio.* That ratio was not a fixed proportion, but was intended to be varied as the commercial ratio changed, and as a matter of fact it has twice been changed by the reduction of the amount of gold in the gold coinage, while that of silver in the silver dollar remained the same."

"That proves that silver was the unit," roared Coin. "If it had not been they would have increased the amount of silver instead of reducing the amount of gold."

This argument seemed to be a clincher, and for the first time since the session opened, the silver advocates got up sufficient enthusiasm to cheer.

"Oh, thou of little sense!" exclaimed Mr. Ewing. "Don't you see the reason why? Because gold, being so

much more valuable than silver, the number of silver coins to be melted down and recoined would have been enormously larger than to recoin the gold, to say nothing of making the silver coinage even more bulky and unwieldy than it now is. It was simply a matter of convenience and expense. Our standard was double and we were obliged to rearrange our ratio in conformity with the laws of commerce or lose all our gold."

This crushing reply settled Commissioner Rafferty's rising hopes. When Mr. Ewing asked pleasantly, just before resuming his seat, whether there was any further question he would like to put, the free coinage commissioner was dazed and wrapped up in his own bitter reflections to such an extent that he so far forgot his native politeness as to make no reply.

Two main props had been knocked from under his pet theory.

It was beyond question that, contrary to the false teachings of Coin, silver is not "the money of the constitution" in any greater degree than is gold.

Silver in any quantity is not and never was by law established as the unit of our money system. That unit of value, under the coinage act of 1792, might have been equally represented by gold, silver or copper.

That unit of value always was until 1873 as abstract as the figure 1 and its outward and its visible sign is $.

CHAPTER II.

COIN'S FALSIFIED FIGURES EXPOSED.

So intense was the interest of the people in the question of Sound vs. Dishonest Money, that two hours before the time announced for the meeting to begin there were a hundred men waiting for admission where but one could by any possibility squeeze into the hall. All sorts and conditions of men were represented, among them many of the working class and office men out of employment. To them the question bore a deep significance. They had just passed through the privations entailed by a financial and industrial panic, and were not anxious to renew the experience. If free silver coinage meant that, as all the respectable newspapers assured them it did, they wanted none of it.

When Harvey Coin arrived at Randolph and LaSalle streets, a few minutes before 10 o'clock, he found a strong detail of policemen busily engaged in preserving order among an immense crowd which seemed bent on storming the door of the Industrial World building. It was only after much difficulty and making proof of his identity to the intelligent officer stationed at the door, that he was enabled to make his way upstairs. On arriving in the hall he was at once recognized by the crowd, packed like figs in a box, and a passageway was opened for him to the platform. From the cheering which took place when Coin mounted the rostrum and greeted the three commissioners, who were already in their places, it was apparent that the silver element was present in force to cheer its leader.

From every side came cries of "Coin, Coin!" which, as that gentleman himself might say, were he writing the narrative of what occurred, "The distinguished financier acknowledged with a courteous bow and an engaging smile, whose magnetism thrilled the senses of all beholders."

Before the session was declared open, Coin advanced to the front of the little stage and said: "Mr. Chairman, it is evident that this hall is not large enough to accommodate even a handfull of those who wish to hear the proceedings. I would suggest that we move into more commodious quarters."

"No arrangements have been made for that," returned Chairman Clench. "The Federation didn't vote us any money for hall rent."

"That need not trouble you," said Coin. "The Bi-metallic League will foot the expense if we can find a a larger hall for to-day's session."

After some consultation it was decided to accept Coin's proposal and move to Plasterers' Hall, and as soon as this was announced the news was transmitted to the crowd in the street. In less than two minutes the small army of interested men was on its way to the West side. Once arrived there, no time was lost, and with a large table on either side of the platform, one for the accommodation of the commission and the other for witnesses and reporters, the proceedings were immediately opened.

"If Mr. Coin is ready to continue his evidence," said Commissioner Rafferty, "I move that he be heard."

"I would like to ask," said Commissioner Hobbs, whether the gentleman is willing to answer questions as he goes along? It would simplify the matter, I think."

"Answering questions is my little specialty," responded Coin, with a smile. "Anybody may ask me

any question pertinent to the branch of the subject I am discussing and I will answer to the best of my ability. But I warn would-be questioners that I'll not spare them." As he said this he drew himself up to the fullest extent of his feet and inches, and assumed an expression of almost cannibalistic ferocity. A keen-eyed gentleman who occupied a front seat, and who had deposited under his chair a number of books and papers, did not seem to be at all awed by this declaration.

"Prior to 1873," began the witness, "when the stealthy crime of demonitization was committed, we had coined one hundred and five millions of silver in the United States. You will find these figures in my invaluable hand-book."

"May I interrupt you with a question?" asked the keen-eyed gentleman before mentioned.

"Certainly," replied the witness.

"Then," said the gentleman, who was Clinton B. Evans, editor of *The Economist*, an able financial writer and an acknowledged authority on economics, "will you state where you got those figures?"

"I don't recollect," was the evasive reply.

"In that case," said Editor Evans, "I would advise you to take them out of your invaluable hand-book. I hold here the report of the director of the mint for 1894, which, on page 343, proves that you are wrong by the trifling amount of $37,365,115.70, or more than all the money coined by the United States in the first thirty-seven years after the opening of the mint in 1792."

This was a poser, and Coin staggered under it. Somebody had at last taken the trouble to investigate his figures, and he trembled when he thought what damning exposures were possible if anything like a thorough search

of his alleged facts should be made. In an instant he had decided on his course. He would bluff the editor, the commission and the crowd, as he had already bluffed the unsuspecting public.

"I deny it!" he shouted wildly. The audience, which had waited breathlessly for his reply to the serious accusation of falsifying statistics which have been a matter of government record, year by year, for more than a century, cheered like mad. The charge seemed too preposterous.

"I repeat," he said with distinct emphasis on every word, "that from 1792 until 1873 we only coined 105 million dollars of silver."

"Will one of the commissioners please read to the audience these figures from the report of the Secretary of the Treasury for 1894," said Mr. Evans quietly as he handed the book to Commissioner Rafferty, who happened to be the member nearest to him.

"One hundred and forty-two millions, three hundred and sixty-five thousand, one hundred and fifty dollars and seventy cents," read the free silver member of the commission, who, evidently, did not relish his job.

"My figures are right, nevertheless," insisted Coin. "The director of the mint has done the falsifying, not I. In fact, I can't be wrong. I shall force him to retract his statement."

There was a roar of laughter at this absurd threat and the sentiment of the audience underwent a change as remarkable as it was sudden. Coin's whole argument had been built upon alleged statistics the truth or falsity of which the average man would have no means of verifying. If he lied in his statistics the whole free silver fabric fell to the ground, as every man who had been

warped from sound money views to free coinage at 16 to 1, by Coin and his arguments, was ready to admit. The eager listeners were quick to see the significance of what had happened and were now intently watching for the next move of the aggressive editor. They had not long to wait.

"Up to the crime of 1873," continued Coin, "when John Sherman, in obedience to orders received by cable, probably, direct from London, sneaked the bill through Congress which degraded and demonetized the dollar of our daddies, the silver dollar was our unit of values and the money of the people. In its place he substituted the gold of England with the wicked purpose of bringing this country to the verge of ruin and now, twenty-two years later, we have reached that verge and find ourselves bound, hand and foot, and delivered over to the clutches of John Bull."

Here Chairman Clench asked a question.

"You have stated, Mr. Coin," he said, "that the silver dollar is the dollar of our daddies and the money of the people. How many silver dollars had been coined prior to 1873?"

"Eight millions," replied Coin after referring to his "invaluable hand book."

"That looks like a mighty small few to be in use as the money of the people," commented the big blacksmith. "If our population in 1873 was about forty millions only one person in five could get one of these dollars."

"Not even one in five," put in the editor. "Mr. Coin needs to revise his figures if he ever means to tell the straight truth without any frills or fabrications. In this same report, page 339, the Director of the Mint shows that from 1792 to 1873, the year in which Congress commit-

ted that 'horrible crime' only seven million, seven hundred and thirty-four thousand, seven hundred and thirty-eight of these 'dollars of our daddies' were ever coined."

There was again a sensation all through the house. What did this man mean by brazenly foisting upon the public such fraudulent statistics?

"That is immaterial," Coin replied, looking very uneasy, "I merely gave round numbers."

"A statistical hand book," was the retort, "doesn't deal in numbers so round that they make a difference of nearly four per cent—not if it's an honest hand book."

"How can you expect a man who advocates national dishonesty to be honest himself?" shouted a man in the gallery and the audience applauded the question which required no answer.

Before Coin could recover his breath Evans was at him again with another question.

"Why do you call silver the money of the people?" he asked.

"Because it has been so ever since the dawn of history," was the reply. "Because on account of its greater value than gold and its greater durability it is better adapted for money purposes. Gold has ever been the money of the rich, silver that of the poor. The people want silver and they are bound to have it."

"Do you consider Mulhall a reliable statistician?" inquired the editor.

"None better," said the witness. "I quote him frequently."

"Well, in that case," continued the editor, "you might correct your statement that silver is more durable as coin than gold, just to keep in line with your favorite authority. Mulhall states that gold is far more durable in coin

than is silver. This is what he says." Here Mr. Evans opened Mulhall's *Dictionary of Statistics* and read this extract:

"Gold coin loses one per cent. in weight in fifty years. Silver coin loses one per cent. of its weight in ten years. Yearly one and one-quarter ton of gold and eighty-eight tons of silver disappear in this way."

Coin looked confused and refused to believe it. "Mulhall is in error," he declared. "It is quite impossible."

"It is the easiest thing in the world to understand that," said Chairman Clench. "I'm treasurer of our union and I have some of the union's money with me on its way to bank, so I can show you." He took a bag containing coin from his pocket and selecting a gold eagle and ten silver dollars he continued: "This here gold piece is worth, to-day, these ten silver pieces. Suppose I carry the whole lot around in this bag; the gold piece, which has only two-thirds as much surface as each of the silver ones, has only two sides to wear. The silver ones have twenty sides to wear, and allowing for the difference in size they have 30 times the surface to get ground off and worn away that the gold coin has."

This homely blacksmith's homely illustration in support of the statistical expert's statement was received with a round of applause.

"Now, Mr. Coin," continued the editor, "about your claim that silver has been the money of the people ever since the dawn of history, I don't believe it, and no more does your friend Mulhall. It was and is the favorite money of half civilized people. It was the favorite money of the most civilized nations until silver was produced so plentifully as to destroy its equalibrium of value in relation to gold. Which are the nations that favor silver by making

it their standard? Why, China, Japan, Mexico, Bolivia, Costa Rica, Guatemala, Honduras, Nicaragua, Salvador, Colombia and Peru. Do you want the United States to lower herself to the level of those countries?"

"How about India and Russia?" asked Coin.

"Do you wish to degrade American labor and American citizenship to the level of India and Russia?" inquired the editor; and his query was received with a round of applause in which even the free silver workingmen joined.

"Moreover," he continued, "India has shut the doors of her mints against the further coinage of silver, and Russia has just issued an edict which permits commercial contracts to be made upon a gold basis. It looks as if she, too, were getting into line, doesn't it?"

"It may to you," replied Coin, wearily. "I argue for a bimetallic system under which gold and silver may walk arm in arm into the mints as bullion and, still arm in arm, walk out again as coin; each dollar exactly the same in value as the other dollar. I point with pride to the double standard countries in which this is possible—France, Belgium, Holland, Spain, Switzerland, Greece, Cuba, Italy, Venezuela, Haiti and Argentine."

A titter of laughter ran through the audience at the mention of Argentine, whose fiat paper currency was the cause of Baring Bros'. failure, whose downfall for a time threatened to engulf Coin's favorite bugaboo, England, and would have done so if the Bank of England had not come to their assistance in a manner which violated every precedent of record since the establishment of that mighty institution. Taking advantage of the embarrassment this snicker caused the witness, Editor Evans remarked:

"Germany, England, Austro-Hungary, British America, Brazil, Denmark, Portugal, Sweden, Turkey,

and even the Negro republic, Liberia, are at present on a gold basis. France, while nominally a bimetallic country, is practically on a gold basis; and if you want to find it out, you'd better take some silver bullion to her mint and see how much free coinage you'll get. It's nonsense to talk about the United States stemming the tide with only the assistance of the present free coinage countries. We'd be swamped before we knew where all our gold had gone to."

"One subject at a time, Brother Evans," suggested the Chairman.

"Yes; we'll get to that later on," said Coin. "Before we go any further—"

"Before we go any further I want to finish what I started to say about your friend, Mulhall," Evans broke in. "He gives a table of the total stock of gold and silver in the world at six periods—from 1600 to 1890."

"Much comfort that will give you," sneered Coin. "I have quoted it on page 18 of my book."

"Garbled it, you mean," retorted the sturdy editor. "Here is the table, with the values, given by Mulhall in pounds sterling, and converted into dollars for the convenience of plain Americans like myslf. It shows that in the year 1600 all the silver in the world was valued at $780,800,000 more than all the gold in the world. In 1700 its value was $1,302,960 more than all the gold, silver having increased in quantity from $1,346,880,000 to $2,196,000,000, while gold had increased from $566,080,000 to $893,040,000. In the year 1800 the stock of gold had increased to $1,864,160,000, and silver to $3,708,800,000, an excess over gold of $1,844,640,000. By 1848 gold had increased to $2,440,000,000 and silver to $4,723,840,000, an excess over gold of $2,283,-

200,000. Then came the enormous gold discoveries in Australia and California, with the result that by 1880 the stock of gold had increased to $5,328,960,000, an increase of nearly three billions, while silver only increased $595,360,000, or to $5,319,200,000, giving gold an excess in value over silver for the first time in the history of the world of $9,760,000."

"That period included seven years of the time of demonetization in which John Sherman led the world in 1873," interrupted Coin, hotly, with an attempt at bluster.

"John Sherman didn't do anything of the kind," replied the editor. "I'm primed with facts, to-day, to meet the whoppers you've been telling, and you can't bluff me down."

"Good enough," "Go it, Evans, old boy," and similar cries came from the audience, mingled with cheers and applause as the brainy editor and the self-appointed financial Moses confronted each other with defiance in the eyes of the one and fear in the eyes of the other.

"The United States did not lead the way in demonetization," continued the editor, "and you know it, Mr. Coin, as well as I do. England adopted a single gold standard in 1816. Why didn't that reduce the commercial ratio of the value of silver to gold? It stood at 15.28 to 1 when silver ceased to be redemption money in England, yet in the following year it stood at 15.11. The reason is simple—if England didn't want silver some other nation did, and the one fixed law which governs the commerce of the world regulated the price of the commodity."

"But in the following year, 1818, it had gone to 15.35, asserted Coin. "From that time on, owing to the demoneitzation of silver by England, the ratio between the two

metals began steadily to increase until 1873, when John Sherman put the white metal on the toboggan slide and down it went."

"That statement is not borne out by the ratio table which you indorse by publishing it nor by the facts as given by Mulhall," said the editor, cuttingly. "Why don't you begin with the year 1760 when the two metals, with a ratio of 14.14, were closer together than at any modern period for which we can obtain reliable statistics? In 1687 the ratio had been 14.94, so that by 1760 the white metal had very distinctly appreciated in value. By 1707 silver's value—always measured, like any other commodity, in gold, you will observe, had fallen from 14.94 to 15.44. Then the ratio dodged up and down for years until, as I just said, by 1760 one part of gold would only purchase 14.14 parts of silver. There was no demonetization to cause this instability."

"From 1687 to 1873, nearly two centuries," broke in Coin, "the variation in the ratio was only two points."

"*Only* two points," repeated the editor. "You talk as if this were a mere trifle. Why, man, it means an increase in value of *eleven per cent* on every grain of gold in the world." Coin looked as Billy Patterson did after he was struck by that notorious person whose identity remains an unsolved mystery even unto this very day. "Adding the combined stocks of gold in the world from 1700 to 1880," continued the editor, "the nearest to the period for which I can readily obtain figures, this depreciation of two points in the ratio between silver and gold makes an increase in the value of the yellow metal of, in round numbers, *eleven hundred and fifty-eight millions of dollars*. Is that a sum of money to be dismissed in your airy fashion, Mr. Coin?"

Coin made no attempt to reply. Indeed, no reply was possible which would not write him down, in the words of the immortal William, "an ass."

"What accounts for the state of facts I have cited—and they are true facts?" Evans went on.

"The stock of each metal in the world," replied Coin. "If there is produced ten times as much gold as silver, silver will be worth that much more in a direct ratio with gold and vice versa."

"My dear young friend," said the editor, pityingly, "do make an effort to learn a little political economy, no matter where you learn it. Supply and demand govern everything and it doesn't matter what the supply amounts to provided there is a demand for it. For instance, from 1821 to 1840 the ratio of the entire stock of silver to the entire stock of gold in the world was 33.1 and silver was $1.20 per ounce. From 1881 to 1888 that ratio had fallen to 18.6. If your theory of the relative value of the two metals is correct the price of silver should have been $2.14 per ounce. Its actual price, however, was 97 cents per ounce, and these figures, which I quote from Mulhall, dispose of your contention that, taking into account the world's stocks of gold and silver their true ratio is 15½ to 1."

"I'll meet that statement later on," said Coin.

"Very well. Now, to continue what I was saying about demonetization," resumed the editor, "Germany was the second country to adopt that policy. That great statesman, Bismarck, had not failed to grasp England's reasons for so doing. He had seen her drawing her balances in gold from the nations of the earth, year after year, and loaning it back to them at interest. He had long determined that his beloved fatherland should at

least participate in this profitable arrangement, if it could not monopolize it, at the first favorable opportunity. That opportunity came in 1871 when, after the German armies had swept the empire out of France, the enormous war indemnity became due from the vanquished to the victors. Bismarck at once announced that the country would adopt gold as its standard and as soon as the legislative arrangements and internal union were completed this was done in 1872. Therefore Germany was practically on a gold basis in 1871, two years before John Sherman was guilty of that 'horrible crime,' which seems only to have been discovered years after it was committed. In 1873 it did not matter a brass farthing to silver whether it or gold were the standard in the United States, for there was practically none of either metal in circulation. Our total stock of gold was $135,000,000 and we had $17,000,000 of silver in subsidiary, light-weight coinage—token money with an intrinsic value considerably less than its face, but still at a premium. Why was this, Mr. Coin?"

"Because the war had forced us to a paper basis and we could not resume specie payments," replied Coin.

"That is partly true," returned Evans, "but like nearly everything else you say it isn't entirely so. It isn't the whole economic truth. The fact is that wherever you have two kinds of money, one cheap, as our greenbacks were then and for twelve years before, and a dear kind, like gold at a premium and silver too, at that time, for there wasn't a silver dollar in circulation, the cheap money will drive the dear money into hiding. The selfishness of man will hoard it away and give to his neighbor in exchange for his labor and commodities the cheapest money he can make him take."

"I don't admit that. It doesn't hold good with our silver dollar to-day, though its commercial value is only 51 cents," said Coin.

"For a very good reason," returned the editor. "If you don't like your silver dollar, your Uncle Sammy will obligingly swap you a gold one for it. So long as he stands ready to do that you are not very eager for the gold. Let him announce that after a certain date he will cease to do so, and then see how fast you'll get a move on you for the sub-treasury."

"That's just the point," said Coin; "that's where I wanted to get you. Don't you see that if we had free coinage of both gold and silver, on equal terms, we could fix the ratio at 16 to 1, or anywhere else we pleased? Then each dollar, gold or silver, would be equally worth 100 cents."

"For how long, Sonny?" howled a great big fellow in the audience. "I'm a circus man," he went on, "and I'm here with Ringling Bros'. big show. I've traveled half over the world with the white tents, and I've picked up a little hoss sense, p'r'aps because I'm so much with hosses. Now, I'll tell you what I'd do in a holy minute if Uncle Sam was fool enough to coin all the silver anybody chose to bring him, giving a gold dollar for every 412½ grains of standard silver: I'm worth $40,000, and I'd make a break for Siberia, or Germany, or Mexico, or South America—any foreign country where they mine silver. I'd buy $40,000 worth of it, bring it back here and swap it with Uncle Sam on that basis. I'd make money. And I reckon there's thousands of other men just as smart as I am."

"You forget, my friend," said Coin, as the big fellow sat down, "that the market price of silver would rise im-

mediately we opened our mints to its unlimited coinage."

"Would it?" said Evans. "There is almost six billions of silver in the world. The gold reserve in our treasury is under one hundred millions, and it wouldn't take three days to bring it down to nothing. Why, men would be waiting with silver to exchange for every ounce of gold that came in for coinage, like the line at the box office of a theatre. With such a demand what would happen? Would the price of silver rise? Not at all. It would send gold up instead. This would be the dumping ground for as much silver as we could purchase with gold. That's what."

By this time the audience was enthusiastically in accord with the hard-headed editor. They recognized that he was talking for principle, while his opponent was talking for—what there was in it for him. They cheered Evans again, and thus emboldened he spent a few minutes selecting books and memoranda at the table, and after repeated shouts of "go on," "hit him again," "you've got him on the run," etc., he resumed thus:

"I want to say something about this 'money of the people' that Mr. Coin says the people will have—silver. The money of the people—the masses, is the money that is worth 100 cents in the dollar 365 days in the year. Not a dollar that is worth 50 cents to-day and goes up to 55 cents to-morrow because Japan has licked China out of her boots and is going to make her pay 150 millions for the fun she's been having. Or a dollar that is worth 100 cents to-day because the government holds it at par by main force. There might be an end to that some fine day, and that's what the foreigners were scared of when they sold out their railroad and other stocks and bonds and broke down our markets for securities.

"But apart from other things that might be said about silver, while it may be the 'money of the people,' in less civilized countries than this, it certainly isn't popular in this progressive land. Folks don't like it. If a man changes a $10 note for you or pays you a $10 debt or wage he always says 'Sorry I can't give you anything but silver,' or 'I know you hate to take silver, but I haven't any currency,' or something of that sort. It isn't that way with gold. That is the ideal coin. It isn't bulky, it loses less by wear and tear than silver, as we have seen, and its value is the same in every country under the sun.

"According to the treasurer's report for 1894, there was, July 1, $620,026,413 in gold coin in the United States and $499,103,577 in circulation, leaving in the treasury $120,922,836. What about the money of the people—the daddy dollars—on the same date? There were just 109,210,342 of them in circulation, and 513,880,682 of them lying idle in the vaults of the treasury. Why weren't they out hustling around and earning their keep as the gold was doing? Why weren't they hopping around, raising prices and giving employment to the men out of work as you and your friends claim free coinage will do? What were they doing, loafing there in the treasury vaults while the people were fairly yearning for them?

"I'll tell you, friend Coin, if you won't let the statement hurt your feelings—the people didn't want the money which you claim is especially theirs so long as they could get paper money or gold coin to use.

"Well, that's all I want to say at present," and as he took his seat the speaker mopped the perspiration off his forehead and the audience cheered him.

No sooner had the aggressive editor taken his seat than Commissioner Rafferty, who had been aching for an

opportunity to make himself conspicuous, arose and addressing the chairman, said:

"Our editorial friend, in giving his statistics from Mulhall and elsewhere, left this commission and this audience in the dark with regard to the figures for 1890. If there is any gentleman present who is able to supply that evidently intentional omission, I, for one, would feel obliged to him."

"The commissioner is quite correct," said Coin. "The figures for 1890, after seventeen long years of dishonor and degradation of silver following demonetization, tell flatly against the argument of Editor Evans. I will read them."

Selecting one from a number of books which he had placed on the reporters' table he was about to begin reading the figures, showing the stocks of gold and silver in the world in 1890 when he was interrupted by the circus man, who arose and said:

"Let the chairman read off the figures. Then we'll know whether we're getting straight facts or whether you've monkeyed with them." The audience roared, and Coin, with a great show of virtuous indignation, handed a copy of Mulhall's dictionary, opened at the table, together with a memorandum giving the conversion into dollars, to Chairman Clench, who read out the figures as follows:

"Gold in the world, 1890, $6,026,800,000. Silver in the world, $5,919,440,000 Excess of gold over silver, $107,360,000."

"There!" cried Coin, triumphantly, "what did I tell you? You see that gold has overtaken silver, and according to natural law the more there is of anything on the market the cheaper that thing must become. Those fig-

ures prove, if they prove anything, that silver is again becoming more precious, when measured in gold, and the only thing it needs to restore it to its old value as a money metal is the privilege of free and equal coinage with gold."

"I understand," said Chairman Clench, "that the production of silver has been very much shut off in this country, at any rate, since 1891. Is that correct?"

"It is," replied Coin. "Silver has not paid to mine it; so, after being brought to ruin's brink by the abandonment of such silver coinage as we had under the Bland-Allison act of 1878, and the Sherman act of 1890, the mines were mostly closed in 1893, and thousands of men engaged in them, and in the smelting works, and in transportation, were thrown out of employment."

"Do I understand you that the mines were being actually worked at a loss?"

"You do, sir;" replied Coin, "Mine-owners found that they could not pay the wages of American labor and were obliged to close down."

"Your statements are very much at variance with the report of the Director of the Mint for 1894," said Editor Evans, producing the document and opening it at pages 292 and 293. "We find," he continued, "that during 1891, '2 and '3 the world produced of silver $584,258,000 and of gold $434,176,000 or, in value, $150,082,000 more silver than gold. So that, in the words of Mr. Coin, according to natural law, 'the more there is of any commodity on the market the cheaper it must become.' I add to that, 'Provided that the demand does not equal the supply.' That is the situation of silver in a nutshell, and I don't see anything in the figures to encourage him. He admits that the production of silver has been greatly curtailed in this country."

"And more so in foreign countries," interrupted Coin. "They have to a great extent stopped producing, and are taking away our silver from us at their own price. Free coinage would stop that, because our price would be one part of gold for 16 parts of silver."

A feeble cheer from the now despondent silverites greeted this assertion.

"Of the whole silver product of the world in 1891-2-3," answered the editor, calmly, "we produced $233,093,200. All other countries combined produced $351,164,800. If you or anybody else believes that it cost $2 an ounce to mine this vast amount of silver, as you have publicly stated, what must you think of the lunatics who in three years have mined this enormous quantity—$584,258,000 worth, for which they received the average price of 88⅓ cents an ounce?"

"They were hoping for better times and the recognition of silver's righteous claims by this Nation," was Coin's answer.

"I am glad he doesn't claim that they were doing it from motives of philanthropy or the good of their health," retorted the editor sarcastically. "Either their losses reached the stupendous total of $652,420,433, according to Coin's statement of the cost of production, or that gentleman is worthy of being a lineal descendant of Ananias and Sapphira, his wife."

When brought face to face with this palpable absurdity Coin had at first flushed as red as fire, and from that gradually faded to a ghastly, greenish white as the merciless exposure went on. The cheers of the audience when the fighting editor concluded warned Coin that he must make some desperate effort to wriggle out of the plight into which his reckless misstatements had landed him. Bluff,

as usual, was his last ditch and he resolved to fight till the last gasp if he had to die there.

"I never made that statement," he declared with a face of marble and eyes gleaming like coals of fire. "It was made by other people and I am not responsible for it."

"That is just the defense I expected," said the editor, in an aside to the audience which was on the *qui vive* to see how the matter would culminate. Turning to the now utterly discredited would-be financier, he asked:

"Did you ever publish any book besides your 'invaluable hand book,' which you so frequently advertise?"

"I did—several," was the reply. "I wrote the 'Financial School,' which has made more converts to free silver than all the other literature and speech-making combined. I also wrote———"

"That's enough," interrupted Evans. "You don't need to advertise the rest of your vicious trash to this intelligent audience—they're onto you now and you can't fool them any more. This is the book, I believe?" and he held up a copy of the now notorious "School," in which prominent men and their opinions are libeled by wholesale."

"That's it," admitted Coin, looking fearful, yet still defiant. Desperate would better describe his appearance, perhaps.

"You consider yourself a man of judgment, do you not?" inquired the editor.

"I do, and so do millions of my fellow citizens," Coin answered, once more swelling up with his accustomed bumptiousness.

"Have you ever given any practical attention to silver mining?"

"A great deal. I consider myself an expert."

"Then, if that is the case, when you go home sit down with a copy of your book and get acquainted with the things you have written. Especially study page 74, whereon you say this:

" 'It is estimated by all men of judgment who have given practical attention to mining, that the silver in existence has cost not less than $2.00 per ounce, and many put it much higher.' "

The editor of *The Economist*, with this parting shot, resumed his seat amid a perfect ovation of cheers. He had gone out single-handed against a past master in the arts of false logic, sophistry and falsification, and with the tiny needle of truth had punctured the mammoth gas bag of deceit which Coin had inflated with falsified figures and the breath of untruth.

As for Coin, he looked like a man on the verge of mental and physical collapse. Never since he was born had he received such a drubbing, and, seeing the sentiment of the audience turned completely against him, he was in despair.

"I'll get a favorable report or make them straddle before I'm through," he muttered, "no matter what effect this exposure may have on public opinion. That's what I contracted to do, and it isn't my fault if the facts are against me." But he was glad when the investigation was declared adjourned to the next day at the same place.

CHAPTER III.

MORE COLLOSSAL FRAUD.

The third day's session of Labor's Commission on Coinage was ushered in with gray clouds and every promise of an April shower, and before 10 o'clock the rain had begun to fall. That, however, proved no deterrent to the crowds who thronged to Plasterer's Hall before 9 o'clock in the hope of getting a good seat from which to view the speakers and listen to the arguments advanced.

Dispirited by the complete rout of Harvey Coin at the hands of the men who had proved that not only did they know and appreciate the facts, but also that they were able so to present them as to dispel the fog of fiction in which the silver argument was enveloped, a number of prominent silver advocates positively refused to appear before the commission. To be plain, these gentlemen talked very well for buncombe in Congress, or on the stump where there was little or no chance of their being refuted. But when it came to a running debate with such men as Evans and Ewing had proven themselves, and with the moral cetainty in their minds that the friends of honest money had others of similar caliber in reserve, they decided that discretion was the better part of valor and left their paid attorney to meet the enemy alone. This, too, notwithstanding the fact that they had been summoned to Chicago by wire for the explicit purpose of making a grand display of strength.

The hall was jammed to its utmost capacity long before the proceedings opened, and when the chairman's

gavel had commanded silence Coin was smiling and "still in the ring." His exhibition of assurance, notwithstanding the crushing defeats he had sustained, was something wonderful. Being invited to resume his evidence, he said:

"The unanswerable argument of the friends of the white metal is the fact of its stability prior to demonetization and the continuous fall of silver since 1873. England demonetized silver in 1816, but as Germany, France and the Latin Union, and the United States had their mints open to the free coinage of the metal, the demand thus created was sufficient to maintain its parity with gold, and the action of England had no effect on the price of silver. The United States closed its mints to silver and made gold the sole measurement of values in February, 1873. Germany followed suit in July, 1873, and the action of these two large nations caused a drop in the commercial value of silver, of 2 per cent., by the end of that year. France and the Latin Union closed their mints to the free coinage of silver in January, 1874, and by the end of that year silver, as measured in gold, had declined 4 per cent."

"I'd like to ask the gentleman a question," interrupted Editor Evans, who was again in attendance and occupying a front seat.

"Certainly, Brother Evans," said Coin. "What troubles you now?"

"I can't understand," was the reply, "the motive which actuated England, Germany, France, the United States and the Latin Union to stop coining silver. You have stated, I believe, publicly, that when we demonetized silver we destroyed one-half of our money of ultimate redemption. Is that true?"

"I have said so and repeat it," answered Coin, who tried in vain to see what the wily editor was driving at.

"Then Germany and the rest of those nations did precisely the same thing, did they not?"

"They did."

"Can you conceive of such men as Bismarck, Waddington, Gambetta, John Sherman and the other great statesmen of that day taking a leap in the dark?" inquired the editor. "Do you think they were all-bribed or all idiots, and that you and your silver-crank, populistic and silver mine owning friends are fitted to teach such men as those statesmanship?"

"On this particular point, yes," said Coin boldly.

"You perhaps consider Jerry Simpson the equal of Gambetta and Senator Peffer the peer of Fuerst Bismarck! Well, opinions differ," and the editor began turning over the pages of a small, cloth-covered book.

"There *was* a conspiracy of the gold bugs against silver," asserted Coin, "and that accounts for many things you can't, because you won't, understand."

"It wouldn't be conducive to your health to insinuate in the presence of a German or a Frenchman that either Bismarck, Gambetta or Waddington had ever accepted a bribe from the gold bugs, as you call them, to betray their country by wiping out one-half of its money," retorted Evans, impatient at the silly charge conveyed in Coin's remark. "This little book," he resumed, "is the report of the Monetary Commission of 1876, of which Senator John P. Jones was chairman—the favorite son of Nevada, that magnificent state which, with a population considerably smaller than an average ward in Chicago, is still represented by two members in the United States Senate.

"At the time this report was written recent events were too fresh in the minds of the people to make it safe for any public man to be guilty of those 'improvements' on facts and figures, dates and history, with which it is now the custom of its advocates to bolster up the free silver propaganda. In this report will be found the true reason why the nations demonetized silver. It must be remembered that in the twenty years prior to 1870 the production of silver had increased with wonderful rapidity. Taking the figures from the report of the secretary of the treasury for 1894, I find that in the period from 1851 to 1855 the world had produced 142,442,000 ounces of fine silver. From 1856 to 1860 this output increased to 145,477,142; from 1861 to 1865 the production jumped up to 177,099,862, and from 1866 to 1870 it went to 215,257,914—an increase in the fourth 5-year period of 72,814,928 ounces. Nor was this all. New discoveries had been made which were turning out silver by the ton, and the world naturally became alarmed. Some people were even afraid that silver would soon be as plentiful as copper. In his report, Senator Jones, who was chairman of the commission, remember, says this:

" 'It may be stated that in 1873 a new body of paying ore was discovered in one of the mines of the Comstock lode in Nevada. Similar bodies of nearly equal extent had been previously discovered and exhausted in the South American silver lodes and in the Comstock lode without attracting universal attention or causing universal fear that the commerce of the world was about to be deluged with a flood of silver, but in the present instance, through persistent and infectious exaggeration in respect to the richness of the new ore body, the most visionary expectations and unwarranted fears became universally epidemic.'

"Thus," repeated the editor, as he handed the report to Commissioner Rafferty, "the tremendous increase in the output of silver from the United States attracted universal attention and caused universal fear that the commerce of the world was about to be deluged with a flood of silver! That is the reason why the nations demonetized silver. This is why silver had already, in 1873, begun to fall in price!"

"What gold bug is it that makes this statement?" asked Rafferty, who had been somewhat inattentive.

"The statement does not come from a gold bug, but is an admission by John P. Jones, the free silver representative of Nevada in the United States Senate. The statement that the demonetization of silver was secretly accomplished in this country is a falsehood! The matter was debated at length in both branches of Congress; among those who took part in the discussion being Senator Stewart, the holder of the international championship silver belt for speech-making under contract by the yard, mile or league."

"Senator Jones says, in the very report you have quoted, that the fears expressed by the world of an over-production of silver were groundless," interrupted Coin.

"So he does," replied Editor Evans, "but with what degree of candor? From 1871 to 1875 the production increased from 215,257,914 ounces, in the previous five years, to 316,585,069. From 1876 to 1880 it rose to 393,-878,009, and from 1881 to 1885 to 460,019,722 ounces—an increase of over 100 per cent in 30 years!"

"Gold production also increased enormously in the same period and more than kept pace," said Coin. "In the period from 1841 to 1850 the output of gold was 17,605,018 ounces. In 1849 the great discoveries and

development began, so that from 1851 to 1855 32,061,621 ounces was produced. From 1856 to 1860 the amount was 32,431,312 ounces; from 1861 to 1865 it was 29,747,-913; from 1866 to 1870 it was 31,350,430, and in the next five years it dropped off to 27,955,068. From 1876 to 1880 the amount was 27,715,550 ounces, and from 1881 to 1885, 23,973,773. From 1886 to 1890 it rose again to 27,298,095 ounces, and from 1891 to 1893 it was 21,002,-265. From 1853 to 1893 this gives us the enormous total or 253,526,027 ounces of gold produced by the world. Now, sir," he concluded with a ring of triumph in his voice, "I'd like you to explain to this audience where on earth the over production of silver comes in in the face of this avalanche of gold; and how it was that silver maintained the ratio so closely from 1851 to 1873!"

"There isn't any difficulty in doing that," replied Evans, calmly, "provided one knows some of the rudiments of political economy and has some knowledge of the history of the world's commerce during the last half century. The output of silver for the period you have named, 1851-1893, amounted to 2,846,982,718 ounces. Now, sir, I will answer your question fully and completely:

"*Nothing on earth, short of that enormous gold production of two hundred and fifty-three and a half millions of ounces, could have prevented the nearly three billions of ounces of silver from being classed, in relation to gold, as something a little more precious than pig lead!*" (Applause.)

"To make this statement apparent suppose that the gold production had remained at the average of the previous fifty years, or 761,871 ounces per annum, and this deluge of silver, 67,785,302 ounces per annum, had flooded the world! What must have been the inevitable result? Either the appreciation of gold or the cheapening

of silver, whichever way you choose to put it, to an unheard-of ratio."

The audience cheered lustily, for if there is any one thing in this discussion which the free coinage people have juggled with more than another it is this matter of ratio and production. Coin looked right poorly when the editor got through, but managed to say:

"I thought you told us yesterday that the supply did not matter so long as there was a demand?"

"So I did," returned the editor, "but where the nation would the demand come from under such circumstances as those? Who would take silver at any price? Even the savages of the dark continent would refuse to wear it as rings in their noses on the ground that it was too cheap."

"How do you account for the fact that, according to Mulhall, in 1848 there were 31 tons of silver to 1 ton of gold in the world; in 1880 only 18 tons of silver to 1 ton of gold, and in 1890 the same proportion?" asked Coin with rather more spirit.

"What has that got to do with my proposition? You talk of 31 tons to 1, but the case I'm supposing had it not been for the increase of gold, would have been 88.95 of silver to 1 of gold and a continuous production at this ratio for 42 years! I don't know but what people might be justified in following Mr. Ewing's suggestion and raising a howl for the free coinage of copper under those circumstances. *Now*, will you be quiet?" and the good natured editor laughed heartily.

"No, I'll not," replied Coin doggedly and with emphasis. "I know I'm right even though you seem to have picked out more telling statistics than mine. Mulhall gives the table of the tons of silver in proportion to

gold, from which I have just quoted. It shows that in 1600–20 there were 27.7 tons to 1, that the ratio stood at 12.1 to 1 and that silver was worth $1.54 per ounce. A hundred years later the proportion was 34.3 tons of silver to 1 of gold, the commercial ratio was 15.1 and the price $1.24. In 1800–20 there were 32.2 tons of silver to 1 of gold, the ratio was 15.3 and the price $1.22. In 1821–40 the proportion was 33.1, ratio 15.6 and price $1.20. In 1841–60 the proportion was 31, the ratio unchanged at 15.6 and the price $1.20. In 1861–70 it had fallen to 22.6 yet the ratio did not change. It was 15.6, and the price was also the same. In 1871–80 the proportion had dropped to 18.6 and the ratio advanced over a point while the price was $1.12. Those facts can not be explained on any other hypothesis than that the mints of the world were open to silver and it was freely coined. That is what held the parity between the two metals for nearly 300 years."

"Your hypothesis does not hold water when the searchlight of facts is applied to it," said Editor Evans. "Moreover, those facts would not be appreciated by one man in a thousand even though he had the statistics spread in front of him unless he had some knowledge of the commercial history of the world and the facts concerning trade development with oriental countries.

"In the first place, from the year 1600 to 1700 the inflexible law of supply and demand, in spite of a constantly increasing production of silver and gold, brought the value of the white metal from a commercial ratio of 12.1 to 15.1 and the price from $1.54 to $1.24, which, in view of the world's stock, 27.1 of silver to 1 of gold in 1600 to 32.2 to 1 in 1700, was still altogether out of proportion. Moreover, in the same period the gold had only

increased from 830 tons to 1310 tons, or 63 per cent, while silver had increased from 23,000 to 45,000 tons, or almost 100 per cent."

"Much obliged," remarked Coin sarcastically, "you have saved me the trouble of contrasting those figures to show that free coinage kept the metals at a parity in spite of their divergence in production and supply. That is the argument we defy you to answer."

"If I answer it completely will you abandon your side of the controversy and agree to support sound money?' asked Evans, by way of reply.

"Oh—you couldn't convince me," answered Coin quickly.

"No—because your interests lie with the bonanza silver kings; but I will certainly convince any man who is open to conviction," declared the editor, who had on his fighting clothes.

"The absurdity of your contention is shown when we look at the total stocks of gold and silver at the two periods in question," he resumed, unrolling a chart on which the following table was displayed:

TABLE SHOWING THE TOTAL STOCK OF GOLD AND SILVER IN THE WORLD AT THE PERIODS NAMED.—MULHALL.

YEAR.	GOLD.			SILVER.		
	Coined ($).	Uncoined ($).	Per cent of coin.	Coined ($).	Uncoined ($).	Per cent of coin.
1600	141,520,000	424,560,000	25	497,760,000	849,120,000	37
1700	366,000,000	527,040,000	41	1,098,000,000	1,098,000,000	50
1800	614,880,000	1,249,280,000	33	1,756,800,000	1,952,000,000	48
1848	766,160,000	1,673,840,000	32	1,893,440,000	2,880,400,000	40
1880	3,586,800,000	1,742,160,000	67	2,713,280,000	2,605,920,000	51
1890	3,855,200,000	2,171,600,000	64	3,132,960,000	2,786,480,000	53

"Pay attention to the proportion of each in use as coin. The entire stock of gold in 1600 was $566,080,000; of this $424,560,000 was uncoined and $141,520,000 coined or 25

per cent. At the same period the total stock of silver was $1,346,880,000, of which $849,120,000 was uncoined and only $497,760,000 coined, or 37 per cent. In 1700 the total stock of gold was $893,040,000, of which $527,040,-000 was uncoined and $366,000,000 coined, or 41 per cent. At the same period the total stock of silver was $2,196,000,000, of which $1,098,000,000 was uncoined and $1,098,000,000 coined, or only 50 per cent. Now, it must be remembered that while 45 per cent of all the gold produced is consumed in the arts and manufactures, only 27 per cent of the silver is thus disposed of. Therefore, the fact that the gold coinage of the world increased in 100 years from 25 per cent to 41 per cent of the total product, while silver coinage only increased from 37 per cent, to 50 per cent, gives a particularly black eye to your two favorite contentions: That the parity of the metals was maintained by the coinage demand and that silver is the favorite money of the people."

Applause greeted this irresistible logic of facts, which completely disposed of Coin's logic of fiction. The poor little man found himself in a mental bog, so to speak, and at once began to flounder.

"That was an extraordinary period," he ventured. "It does not give a true idea of the facts.'

"Then we'll take the next period, 1800," said the editor. "Of gold there was a total of $1,864,160,000, of which 33 per cent was coined! Of silver there was $3,708,800,000, of which only 48 per cent was coined. You observe that the production of both metals had enormously increased, gold over 100 per cent. and silver over 43 per cent. In the next period, for which we have the figures, 1848, silver again increased 27 per cent. It increased $1,015,040,000 while gold increased $575,840,000,

or over 32 per cent. There was 32 per cent of the gold in the world coined, however, and only 40 per cent of the silver."

"How do you make that out?" interrupted Coin. "In the appendix to my book I show by reprinting a table of the production of gold and silver, from the report of the Bureau of the Mint, that from 1792 to 1892 the total production of gold was $5,633,908,000, and of silver $5,104,961,000. Prior to 1850 the production of silver was 78 per cent over that of gold, yet through the free coinage of the two metals, and that alone, the commercial ratio was steadily maintained."

"That alleged table," replied the editor, with deliberate emphasis, "is one of the most impudent forgeries ever foisted upon an unsuspecting public. I have here a copy of it from 1801, the first year for which the figures are given by the Director of the Mint in five or ten year periods. I have also that official's own figures, as given on pages 304 and 305 of the Treasury Report for 1894, placed side by side with yours, and I display them that the whole world may know you, sir, for the falsifier and forger that you are."

As he spoke these words the editor unrolled a large calico banner upon which the table on the next page was painted.

"The figures Coin has falsified," he went on, "are made more prominent so that you may all pick them out for yourselves. Notice the cunning he has displayed. The first three lines of each column contain correct quotations so that any person verifiying his figures by the official document would become satisfied that they are correct. Then he begins to forge and *from 1801 to 1840 he swells the amount of silver and from 1840 to 1890 dimin-*

ishes it for the deliberate purpose of strengthening the argument he has just made. Read the figures for yourselves and say what you think of a cause which requires such forgery and falsehood to sustain it !"

COIN'S FORGERY.

WORLD'S PRODUCTION OF GOLD AND SILVER.

	COIN'S FIGURES.		TREASURY FIGURES.	
Period	Gold.	Silver.	Gold.	Silver.
1801-10	$ 118,152,000	$ 371,677,000	$ 118,152,000	$ 371,677,000
1811-20	76,063,000	224,786,000	76,063,000	224,786,000
1821-30	94,479,000	191,444,000	94,479,000	191,444,000
1831-40	134,841,000	**274,930,000**	134,841,000	247,930,000
1841-50	**362,694,000**	**337,520,000**	363,928,000	324,400,000
1851-56	**618,325,000**	**202,400,000**	662,566,000	184,169,000
1856-60	**649,625,000**	**203,500,000**	670,415,000	188,092,000
1861-65	**555,700,000**	**242,750,000**	611,944,000	228,861,000
1866-70	**547,925,000**	**254,275,000**	648,071,000	278,313,000
1871-75	**491,050,000**	**360,100,000**	577,883,000	409,322,000
1876-80	**552,200,000**	**456,300,000**	572,931,000	509,256,000
1881-85	**510,500,000**	**553,100,000**	495,582,000	594,773,000
1886	106,000,000	120,600,000	106,000,000	120,600,000
1887	105,775,000	124,281,000	105,775,000	124,281,000
1888	110,197,000	140,706,000	110,197,000	140,706,000
1889	123,489,000	**162,159,000**	123,489,000	155,428,000
1890	**113,150,000**	**172,235,000**	118,849,000	163,032,000
1891	**120,519,000**	**186,733,000**	130,650,000	177,352,000
1892	**130,817 000**	**196,605,000**	146,298,000	197,741,000
Totals	5,521,501,000	4,776,401,000	5,871,083,000	4,832,153,000

The figures falsified by Coin in bold type.

For a few seconds after the editor ceased speaking the audience remained in a hush as each man scanned the shameful record and grasped the full meaning of the terrible exposure. Then a howl of rage and execration arose from a thousand throats—rage that they had been duped into accepting arguments based on falsification and fraud, and execration for the man responsible. They hissed, whistled and shouted opprobrious epithets until they were thoroughly tired out; Coin standing the while with a sneer on his lips and rage in his heart. When quiet had been once more restored the editor continued:

"Coin argues that there was an enormous production of silver over gold and that it was free coinage which maintained the equilibrium and prevented a fall in the price of the white metal. The total coinage of bullion from 1801 to 1850, exclusive of recoinage, of which we had ourselves nearly $100,000,000, by all the nations of Europe, Australia and America *amounted, according to Mulhall, to just $136,262,000!*

"How could this trifling amount, less than 25 per cent of the production, to say nothing of the world's stock of silver on hand in 1800 of $3,708,800,000, have any effect whatever in maintaining the commercial ratio? A coinage of 136 millions out of a total production of over 5,000 millions would have about as much effect as Mrs. Partington had with her broom when she tried to sweep back the waves of the Atlantic ocean."

A storm of applause mingled with laughter showed that the audience appreciated both the complete answer and the absurd comparison.

"The next period is that of the enormous gold production, 1848 to 1880" continued the editor. "In the latter year there was $5,328,960,000 of gold and $5,319,200,000 of silver—more gold than silver. Of the gold 67 per cent was in coin, and of the 'money of the people,' only 51 per cent. Now, then, what accounts for the holding up of silver during that long period, part of which time silver production had been greatly in excess over that of gold, and another part when gold production had greatly exceeded that of silver?

"Mainly the enormous demand during the period up to 1870 for silver from Asia. The Eighteenth century was a period of wonderful development of trade with India, Japan and China, countries in which silver is used

to the exclusion of gold to this day. That's where the demand for silver came from, and as soon as those countries had absorbed the white metal to saturation, the demand dropped off, and the price of silver fell. That occurred in 1871–80. The Orientals have not been able to absorb all the excessive silver production of the last twenty-five years, but they have struggled bravely with it, and, assisted by the enormously increased production of gold, which thus lost some of its value compared with silver, the price of the white metal, while gradually dropping, did not go down with a rush until they were unable to absorb the increase.

"Untold millions and billions of the world's production of silver have been swallowed up by the Asiatic nations so completely that there is no record by which even the most enthusiastic statistician can follow it. But prior to 1850 most of the imports from India and Asia were paid for in silver bullion and not in manufactures. In 1850 England alone imported over 50 millions of pounds of tea, to say nothing of vast quantities of silks, spices, manufactures of ivory, porcelain, gold and other commodities.

"When the large production of gold commenced Western nations recruited their coinage with the more desirable money metal and sent the cheaper silver to the Orient. This was done, moreover, at considerable profit, as in 1810 the ratio in China was only 10 to 1, while in London it was 15.77 to 1. In 1854 the Chinese ratio was 14 to 1 and in London it was 15.33 to 1. Hence, the East was made, from time immemorial, a profitable dumping ground for the stocks of silver accumulated by Western nations and by that fact did more than all the free coinage of Europe and America combined to maintain a parity between the two metals.

"This statement is strongly confirmed by Mulhall, who agrees with Soetbeer, Jacob and other statisticians, that from 1801 to 1880 the stock of silver coin and bullion in the western world only increased $1,610,040,000, *while the world's production was $3,158,250,000. In the same period the stock of gold coin and bullion increased $3,464,800,000, while the production was only $4,534,273,000, and it must not be forgotten that while 45 per cent of all the gold produced is used in arts and manufactures, only 27 per cent of the silver is so disposed of.*

This irrefutable demonstration of the absolute truth of the argument advanced was the signal for enthusiastic cheers and applause which Coin tolerated, because he had to, with an air of despairing resignation.

"I wish to call your attention to another fact," Mr. Evans resumed. "The mints of India, since 1893, have been closed to the free coinage of silver, so ask yourselves the question whether the British rulers of that country found free coinage teeming with the blessings that our friend, Coin, would have us believe in. If so, why did they put up the bars against the white metal? Why didn't they go on coining it and reaping the gorgeous good times cheap money is sure to bring—according to our friends, the free silverites?

"To close this branch of my argument I will remind you of just one more point. In 1700 there were 34.3 tons of silver in the world to 1 of gold, and the white metal was worth $1.24 per ounce. In 1870, before there was any demonetization, except that of England which Coin says and I have shown was immaterial, there were only 22.6 tons of silver to 1 of gold; yet the ratio had risen $\frac{6}{10}$ and the price had fallen to $1.20. The decadence of sil-

ver had begun. By 1893 the ratio was 21.26 tons of silver to 1 of gold, the commercial ratio had risen to 26.49, and the price had dropped to 78 cents!

"Why? Not because of demonetization. That had some effect, of course. How much, may be judged by the fact that our coinage of 4,500,000 ounces a month, 54,000,000 ounces a year, or 2,250 tons, swamped us. We couldn't assimilate it or circulate it; and after a temporary rise to $1.04 in 1890, on account of that coinage, the price slipped back to 98 cents in 1891; to 87 cents, lower than ever before, in the following year, and it only averaged 78 cents in 1893, although the Sherman act was still in operation till November 1.

"The reason is simple. The world's production for 1893 was 161,776,000 ounces. Our 54,000,000 ounces a year for coinage—more than we knew what to do with, was only a drop in the bucket, and hence came the drop in the market."

With this the editor resumed his seat amid cheers, and Coin again took the rostrum.

"I have here a diagram," he began, "which illustrates my theory of unlimited coinage of both metals on a parity," and he unrolled a cartoon representing two hands, each drawing a cord through a hole in a beam of wood, with blocks on the ends of the cords. The hands represented the power of unlimited demand, he said, and the beam the price at which the demand would stop. The two little blocks on the ends of the cords were drawn close against the beam and he said they represented silver and gold: "If the hand holding the silver cord should relax its pull the block representing silver would fall down. By demonetization in 1873 the unlimited demand for one metal, silver, was taken away and the unlimited demand for the other metal, gold, was continued."

"That is all nonsense," said Commissioner Hobbs. "Anybody can see that if you are going to make 50 cent silver compete with 100 cent gold there will be an unlimited supply of 50 cent silver, with no demand, and an unlimited demand for 100 cent gold, but no supply. This is the way it would be." The carpenter took a big, flat pencil from his pocket, and made a vast improvement on the cartoon, with the result shown in the picture.

This convincing illustration was cheered the moment the audience saw it. They had digested the facts, as given by Mr. Evans, and saw the strict application to them of Hobb's illustration. Coin bit his lip with annoyance, but saw that it was useless to attempt to refute the plain figures.

"Using the official figures as given by Mr. Mulhall," he continued, "and estimating from them, the proportion in 1872 was 19 tons of silver to 1 of gold."

"It was exactly 21.32 to 1, not 'estimated' from Mulhall's figures, but figured from the statistics of the treasury report," interrupted the editor. "It did not reach 19 to 1 until 1883."

"So much the better. Thanks," said Coin, "it suits my argument."

"Then it's a wonder you didn't estimate it at 6 or 7 tons while you were at it," commented Mr. Evans.

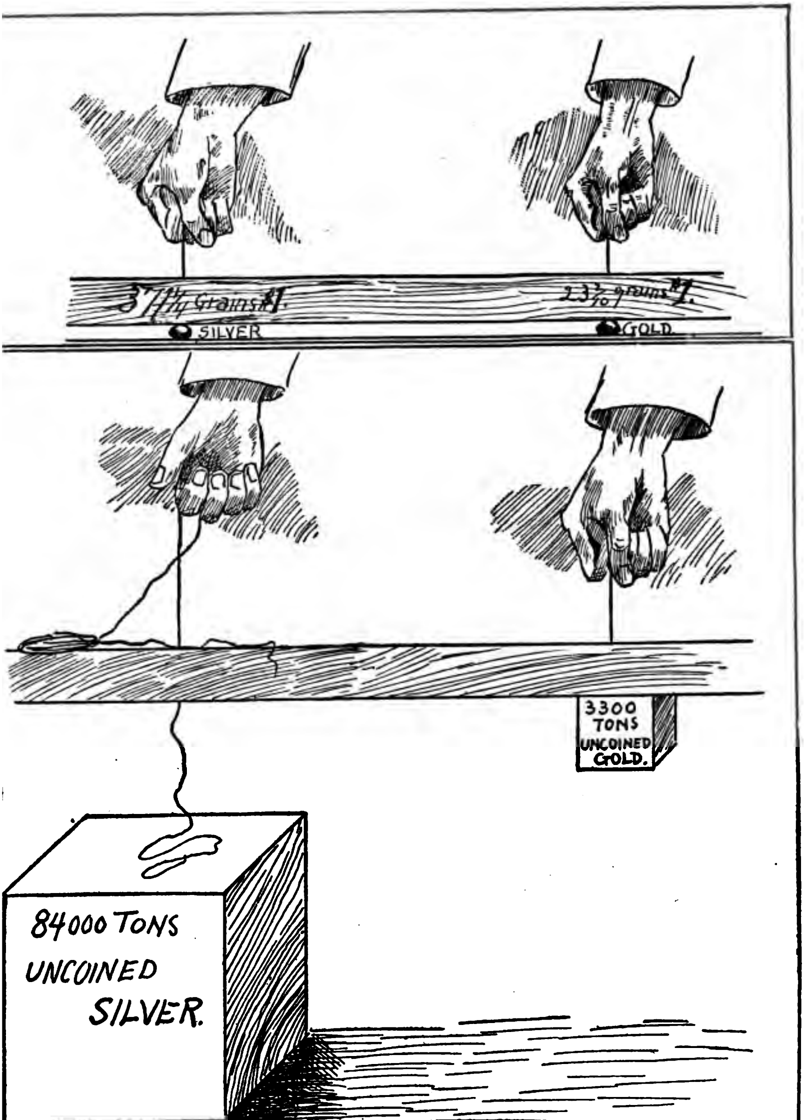
Without further exchange of pleasantries Coin continued: "I was just about to show that the production of silver had become materially less, compared with gold, and yet through all these years from 1848 to 1872 there was no difference in the commercial ratio that would not be accounted for by the French ratio disturbance and the cost of exchanging the two metals."

"Young sir," suggested Editor Evans, "you might do well to have a guardian appointed. The causes you mention would have about as much effect on the commercial ratio of silver as a mosquito would have in trying to kick a football. The total silver coined in France, including re-coinage, for 40 years, 1850 to 1890, was $224,352,000. Her total net imports of silver, 1861 to 1870, were $67,200,000; while her net imports of gold during the same period were $336,000,000, India, alone, during the same period, to say nothing of the other Oriental countries, imported, net, $485,000,000 of silver during the same decade. The demand in the East maintained the parity until 1871, when gold production fell off from 12.7 of the total of gold and silver to 8.1 per cent and the latter metal advanced from 87.3 to 91.9. The Oriental demand is the true reason."

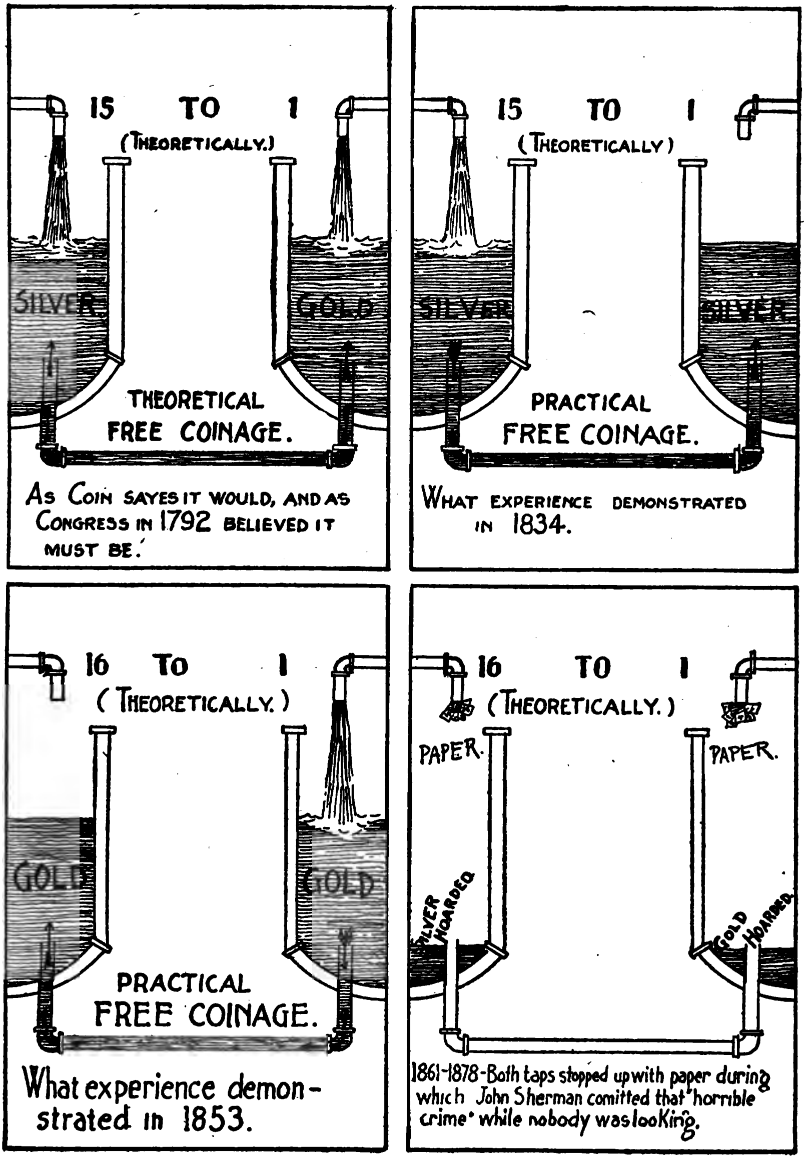
"The true reason is that gold and silver were freely coined and the demand for each was therefore unlimited," persisted Coin. "Had specie payments been in operation in 1873 silver would never have been demonetized. Nearly every one would have been alive to the interest of our silver money, and it would have been daily asserting its own importance as in 1850-54.

"To show you how perfectly the law of free coinage worked from time immemorial till 1873, in sustaining the commercial value of silver and gold at a parity, I refer you to the ratio table in the Treasury report for 1894, page 288. You will see from this table that from 1687 to 1873 the commercial ratio of the two metals was never lower than 1 to 14.14 and never higher than 1 to 16.25, a variation of only about two points."

"Only about two points!" ejaculated the editor, "only enough to send gold to a premium of 15 per cent!"



371¼ Grains $1.
SILVER
23⅕ grains $1.
GOLD.
3300 TONS UNCOINED GOLD.
84000 TONS UNCOINED SILVER.



15 TO 1
(THEORETICALLY.)
SILVER.
GOLD
THEORETICAL FREE COINAGE.
AS COIN SAYES IT WOULD, AND AS CONGRESS IN 1792 BELIEVED IT MUST BE.
15 TO 1
(THEORETICALLY)
SILVER
SILVER.
PRACTICAL FREE COINAGE.
WHAT EXPERIENCE DEMONSTRATED IN 1834.
16 TO 1
(THEORETICALLY.)
GOLD
GOLD
PRACTICAL FREE COINAGE.
What experience demonstrated in 1853.
16 TO 1
(THEORETICALLY.)
PAPER.
PAPER.
SILVER HOARDED
GOLD HOARDED
1861-1878-Both taps stopped up with paper during which John Sherman comitted that "horrible crime" while nobody was looking.

"Oh, that's nothing," said Col. Forrest, the able financial and economical writer of the *Daily News*, who sat next to his friend, Evans. "When it comes to defining what the parity between the two metals should necessarily be Coin talks as airily as Wilkins Micawber did about signing promissory notes. He talks of two points variation in the parity as a mere trifle not worthy of our notice. The legal ratio between the two metals was fixed by Congress at 15 to 1, in 1792, which was then the commercial ratio. And yet in 1834 gold had gone completely out of circulation. It was selling in brokers' offices in New York and Philadelphia at 4 to 4½ per cent premium and we were on a silver basis. The market ratio was 15.62 in New York and in Hamburg 15.73. But this was only ⅛ of a point while, as you say, two points would have put gold up to 15 per cent premium. One-tenth of one per cent is sufficient to send either one of the metals to foreign countries or the melting pot."

"To show *you*, Mr. Coin, how absolutely false your statements are," said J. Lawrence Laughlin, professor of political economy at the University of Chicago, "or else how little you understand the subject you assume to teach, I want to emphasize the point made by my friend, Col. Forrest, that free coinage was found in practice a complete and utter failure as early as 1834. At that time we were already on a monometallic silver basis, and gold had been driven completely out of circulation. In order to induce the return of gold Congress committed the 'crime,' as you should call it, to be consistent, of increasing the legal ratio to 16 to 1.

"Then what happened?

"The legal ratio being slightly in excess of commercial ratio, silver in its turn disappeared and gold took its place.

In an incredibly short time we were on a gold basis as absolute as if the law of 1834 had explicitly stated this to be its intention. In the form of coin an ounce of gold would exchange, in 1840, for instance, for 15.62 ounces of silver, that being the market ratio. Gold was, therefore, worth more as coin than as bullion, and it rushed to the mint. On the other hand, 15.62 ounces of silver bullion would buy one ounce of gold bullion, while it took 16 ounces of silver in coin to buy one ounce of gold in coin. Silver was worth more as bullion than as coin, hence it rushed to the melting pot to be changed to bullion.

"By reason of the increased gold production in Russia, and later in California, the commercial ratio was kept less than 1 to 16 for a long time, and this explains why silver disappeared wholly from circulation.

"You have stated that had specie payments been in operation in 1873 silver would never have been demonetized, and that nearly everyone would have been alive to the interest of our silver money, which would daily have asserted its importance, as in 1850–1854.

"What is the truth?

"Before 1850 our silver dollars had been melted into bullion, and so completely had even our subsidiary coinage, small change, disappeared, that all possible shifts were resorted to to make change. Shillings, bits, levys, etc., were taken up. This became so intolerable that in 1853 the question of the coinage was thoroughly discussed. It was realized that the ratio of 15 to 1 from 1792 to 1834 had resulted only in a silver currency, and that the ratio of 16 to 1 since 1834 had resulted only in a gold currency.

"As a result the act of 1853 was passed, which was the practical abandonment of the impracticable attempt to

keep both gold and silver coins in circulation by trying another change of the ratio. They let the silver dollar alone. It was then completely out of circulation. The market ratio in 1853 being 15.4 to 1, a gold dollar would only buy 15.4 times 23.2 grains of silver in the market, or 357¼ grains. This was 14 grains less than the legal silver dollar. In other words, a silver dollar was at a premium of 4 per cent over gold in 1853. So they then and there gave up trying to keep the silver dollar in use. They had the gold standard and gold in abundance and were satisfied. Mr. Dunham, who had charge of the bill, said:

"'Another objection urged against this proposed change is that it gives us a standard of gold only. Gentlemen talk about a double standard of gold and silver as a thing that exists, and that we propose to change. *We have had but a single standard for the last three or four years. There has been, and now is, gold. We propose to let it remain so, and to adapt silver to it, and regulate it by it.*'

"This, then, was the thing usually supposed to have been done in 1873. The real demonetization of silver dollars took place in 1853, twenty years before the nominal demonetization of 1873. As I have said elsewhere, the act of 1853 tried and condemned the criminal, and after twenty years of waiting for a reprieve, the execution only took place in 1873.

"The use of silver was practically abandoned in 1853, and a subsidiary currency of 345.6 grains to the dollar's worth was enacted. This was token money, and there would not be any reason for melting it, as it would take 357¼ grains of it to buy a gold dollar. Moreover, as if to emphasize the deliberate intention of Congress to de-

monetize the white metal, its legal tender capacity was limited to five dollars.''

This lucid statement of the facts which so completely demolished two more of Coin's pet delusions—the ''horrible crime of 1873,'' and the continuous use of a bimetallic standard on even terms from 1792 to 1873, was received by the audience with a storm of cheering in which some penetrating hisses, either intended by the intelligent portion for the discredited and discomfitted Coin; or by the enraged silverites for the witness who had pulled back the veil of misstatement and shown in the clear light of day the facts of history.

Coin, himself, looked ghastly. Commissioner Rafferty's face was a study. The life had been completely knocked out of the silver argument and he was almost ready to surrender. As for Chairman Clench, he looked convinced; but with the honest caution which characterized him, he asked:

''Have you that act of Congress with you, Professor?''

''I have not, sir. But I am perfectly familiar with its provisions and was quite safe in quoting from memory.''

''I'm sorry—you might have made a mistake. I am free to say that if that law sustains your argument I only need to be convinced on two other points—the effect of free coinage on wages and prices.''

''I have here a copy of the law of 1853, as issued by the Treasury Department,'' said Mr. A. T. Ewing, who had been a deeply interested listener in company with a large delegation from the Honest Money League. ''It is very short and I will read it if you choose,'' he concluded. Mr. Ewing, whose telling demolition of the silver unit falsehood was evidently well remembered, was received

with warm applause and, on the chairman's invitation, he read this act of Congress.

"*Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled:*

"That from and after the first day of June, eighteen hundred and fifty-two [three] the weight of the half dollar or piece of fifty cents shall be one hundred and ninety-two grains, and the quarter dollar, dime, and half dime, shall be, respectively, one-half, one-fifth and one-tenth of the weight of the said half dollar.

"'Sec. 2. *And be it further enacted*, That the silver coins, issued in conformity with the above section, shall be legal tenders in payment of debts for all sums not exceeding five dollars.'"

Chairman Clench smote the table excitedly as the lawyer ceased reading and the vast majority of the audience, who were by this time convinced that 50 cents worth of silver could only pass current for 100 cents when backed up by 100 cents worth of gold in the national treasury, and exchangeable for it, concluded while they applauded, that there were by this time two advocates of sound money out of the three men who composed Labor's Commission on Coinage.

At this point there was a commotion in the rear end of the hall. A small boy was trying to fight his way through the densely packed crowd and was stopped by one of Mayor Swift's large, blue-coated policemen. The boy carried a package and insisted that he had business there —he wanted to see Mr. Evans.

"Let him come through, please," requested the editor. "He's my messenger." So the throng parted and the grimy faced little printer's devil at length succeeded in reaching the platform.

"I have been waiting for this package," said the editor, as he untied the string. "It contains a table I have had printed for the use of this commission and gives the complete history of the production and value of the

precious metals from 1851 to 1893. When this table is studied and it is borne in mind that the decline of the oriental demand began in 1870, any person with average sense can understand why silver has so steadily declined in price since 1870, when it was $1.32 per ounce, with an average production for the previous five years of 261.25 tons, until 1893 with its mammoth production of 6,740.66 tons when it sold for the average price of 78 cents, only to sink to 63 cents in 1894.

WORLD'S PRODUCTION OF GOLD AND SILVER FROM 1851 TO 1893. BASED ON TREASURY REPORT 1894.

GOLD.				SILVER.					
Period.	Tons.	Value. Dollars.	By weight. Per cent.	Tons.	Value. Dollars.	By weight. Per cent.	Average ratio.	Average weight ratio.	Average price.
1851–55	1,325.067	662,566,000	18.5	5,935.174	184,169,000	81.6	15.41	4.47 :1	1.34
56–60	1,351.30	670,415,000	18.2	6,061.54	188,092,000	81.8	15.30	4.48 :1	1.35
61–65	1,239.49	614,944,000	14.4	7,375.41	228,861,000	85.6	15.40	5.95 :1	1.34
66–70	1,306.26	648,071,000	12.7	8,964.91	278,313,000	87.3	15.46	6.86 :1	1.32
71–75	1,164.79	577,883,000	8.1	13,191.04	409,322,000	91.9	15.97	11.32 :1	1.29
76–80	1,154.81	572,931 000	6.6	16,411.58	509,256,000	93.4	17.89	14.21 :1	1.15
81–85	998.90	495,582,000	5.0	19,167.48	594,773,090	95.0	18.59	19.18 :1	1.11
1886	213.65	106,000,000	5.2	3,886.50	120,600,000	94.8	20.78	18.28 :1	.99
1887	213.20	105,775,000	5.0	4,005.16	124,281,000	95.0	21.13	18.31 :1	.97
1888	222.11	110,197,000	4.6	4,534.45	140,706,000	95.4	21.99	20.41 :1	.93
1889	248.90	123,489,000	4.7	5,003.91	155,428,000	95.3	22.10	20.10 :1	.93
1890	239.55	118,849.000	4.3	5,253.54	163,032,000	95.7	19.76	21.93 :1	1.04
1891	263.34	130,650,000	4.4	5,715.45	177,352,000	95.6	20.92	21.70 :1	.98
1892	294.88	146,298,000	4.4	6,372.50	197,741,000	95.6	23.72	21.61 :1	.87
1893	316.91	157,228,000	4.5	6,740.66	209,165,000	95.5	26.49	21.26 :1	.78
		5,240,378,000			3,681,091,000				

"Since 1793," continued Mr. Evans, "we have coined $1,711,880,288 of gold and $675,954,221 of silver. In spite of silver being the money of the people we only coined, in round numbers, 676 millions of that metal to one billion, seven hundred and twelve millions of gold, or one billion and thirty-six millions more of the rich man's money, as Mr. Coin calls it. Of this we coined prior to

1873 of gold $795,091,710 and of silver $142,365,150. Of this, about $100,000,000 was re-coinage of foreign silver, as directed by the act of 1792, and extended by the policy of the Treasury Department to the Spanish milled dollars exempted by the act. Since that 'terrible crime' of 1873, however, which Professor Laughlin has so completely run to earth, we only coined $916,788,578 of gold to $538,760,665 of silver. Is it because this country has been so poor and so unprosperous since 1873 that we have made this wonderful advance, proportionately, in our coinage of the poor man's money? I opine that Mr. Coin will scarcely dare to take that position before this audience!"

And Mr. Coin *didn't!*

"You have several times stated, Mr. Coin," said Chairman Clench, "that the demonetization of silver has wrought great mischief to this country. Will you please give us your views on that point?"

"With pleasure," said Coin, glad of a chance to escape from the merciless exposure of his production and ratio falacies. "Silver, by demonetization, has been deposed from its proper place as a money metal, and we have lost the service it should perform. The report of the Director of the Mint shows that since 1850 the world produced more gold than silver."

"Do you mean more in quantity or in value?" asked Chairman Clench.

"Oh, in value," replied Coin. "I wouldn't for the world attempt to mislead you. Gold predominated by $1,559,287."

"And by weight silver's production to that of gold was in the proportion of 18 tons to 1," added Editor Evans.

"Before demonetization," resumed Coin without taking any further notice of the scoring he had received, for

he had grown callous by this time, "both metals constituted the redemption money of the world. And as both metals existed in about the same quantities, it gave us twice as much money of redemption as gold alone will now furnish us. There is in the world now, according to the director of our mint, $3,727,018,869 in gold and $3,820,571,346 in silver."

"Whereabouts do you find that statement?" inquired Editor Evans.

"In the Treasury report for 1894," replied Coin, unblushingly.

"On what page?" insisted the editor.

"Oh, you'll find it there somewhere," said Coin, shifting uneasily from one foot to the other.

"Not if you search for a thousand years," said Evans. "What is more, there are not sufficient facts given in that report to enable you or anybody else to make even the wildest kind of a guess at the amounts of gold and silver at present free in the world as bullion, coin, plate or jewelry."

Coin did not reply. He couldn't—he had been caught again in a falsehood and he knew it. While he was trying to brace himself for another flight of fancy, R. W. Knott, the brilliant editor of the Louisville *Post*, arose from his seat in the audience and said:

"Let us put a pin in, right there, Mr. Chairman. Coin has stated that the act of 1873 robbed us of one-half of our money of ultimate redemption. His argument, which is as old as this silver lunacy itself, is that there isn't enough gold in the world for the demands of commerce without the aid of silver."

"Platform, platform!" shouted the crowd, and the Kentuckian, after acceding to the request, continued:

"At the close of 1892 there was $7,500,000,000 of gold and silver money in circulation. The combined production of gold and silver in 1873 was $178,000,000, of which $81,000,000 was silver. In 1894 the world's production of gold, alone, is officially estimated at $182,000,000—or more than the combined production of gold and silver in 1873. With gold alone we are adding as much money metal to the world's supply in 1894 as with both metals in 1873; with the difference that the quality is better because it does not fluctuate but is a fixed value in every country under the sun, and the facilities for circulating it are vastly improved." The audience grew deeply interested, for this was a new view of the matter.

"From 1792 to 1873," Col. Knott continued, "the world produced two billion eight hundred and fifty million, two hundred and forty-two thousand dollars in silver, and two billion, three hundred and eighty-two million, eight hundred and ninety-seven thousand dollars in gold. If all the silver produced since 1792 had been wiped out in 1873, and no more had been discovered, the production of gold would have made good the loss. Eighty-three per cent has already been made good, and our production of gold now equals that of gold and silver combined in 1873."

Applause followed this statement, and even Rafferty began to see daylight at last.

"Is it not a fact that all the silver was wiped out in 1873?" he asked.

"Every dollar of our silver then existing is to-day, if existing, a legal tender for its face value," was the reply; and there was not a man in the hall who had not frequently received and paid out again old half dollars and

quarters dated prior to 1860. They recognized the truth of the statement.

"The United States, alone, has added $500,000,000 to the silver coinage since 1873," resumed the Colonel.

"Have you seen Coin's illustration of all the gold in the world in the form of a cube placed in the wheat pit at the Board of Trade?" inquired Rafferty.

"I have," replied the Colonel. "It is much too small; but if he had calculated it on the basis of the world's gold in 1873 it would have been just about half the size he makes it. On his own estimate, the cube of gold, alone, in 1895 would be as potential as the cubes of gold and silver together in 1873—in the good old palmy days he seems to lament so much, before calamity came upon us."

"Has the disproportion between the gold of the world and the debts of the world any bearing on the question of coinage as Coin declares it has?" asked Hobbs, who was delighted with the day's testimony.

"Not the slightest," replied Col. Knott. "The debts of the world are to be paid in the goods of the world, not in gold. Gold is used to settle balances and for ultimate redemption of currency notes. The debts are paid by the crops of the future, by the cattle yet unborn, by iron and coal and other minerals still in the earth.

"I have here," continued the witness, "a page from Coin's book, in which he advances the absurd idea, based on his own estimate, that because he figures out about 15½ tons of silver to one of gold in the world, though, 19.2 to 1 is the exact amount according to the most reliable figures, therefore 15.5 to 1 is the proper commercial ratio of the metals for money. This is absurd. It would be absurd even were his weight ratio correct. He

might as well attempt to fix a ratio between wool and cotton, between coal and wood, or between wheat and corn, by weight. No intelligent man would be guilty of attempting to fix the proper ratio between gold and silver by weight. Formerly it was contended that the weight of a man's brain was the measure of his intellectual power; now it is admitted that it is the convolutions of the brain, its quality and not its quantity, which determines a man's intellectual status. So it is with the products of a man's labor. There is no subtle relation between gold and silver; no umbilical cord connects them. Silver is not gold mixed with alloy to make it heavier. It is a different metal, found under different circumstances, produced by different methods, and requiring different forms of labor. It is the labor expended, plus the demand, which fixes the value of each metal in the market, and that value is the only natural ratio, as Jefferson asserted over a hundred years ago."

"By a simple illustration I can show that you are wrong," declared Coin, who then drew a picture of two cisterns, as shown in the illustration. "It is immaterial what ratio is fixed," he continued, "in spite of all that has been said here to-day. I still maintain that the partial failures of my theory, which have been adduced by the two editors and the theoretical gentleman from the Chicago University, were due to extraordinary circumstances. Free coinage, or unlimited demand, fixed the parity of gold and silver for 200 years with but two points of variation in the ratio, and it will do it again as this illustration shows."

While Coin was speaking Hobbs had again been busy with his broad, flat pencil and now handed three sketches of similar cisterns to his fellow commissioners, who in turn

handed them to the other gentlemen on the platform. "I could have drafted them better if I'd had a neat piece of board to draw on," said Hobbs, apologetically, "for, you see, that's what carpenters do most of their drafting on."

"No apologies," said Professor Laughlin. "The diagrams hit the nail squarely on the head and show the sophistry of Mr. Coin's production with admirable clearness."

"I would now like to ask Mr. Coin a question," said Col. Forrest. "Did you not say, sir, in your book that all the money should be at par, one kind of money just as good as any other kind of money? Didn't you say that it was impossible to maintain two kinds of redemption money with one made from property having a commercial value of only one-half, or any noticeable per cent less than the other?"

"I did, sir, replied Coin, "and I said, further, that when such is the case the lesser must lean on the greater, and to all intents and purposes become credit money, while the more valuable becomes the only money of redemption.

"We have in the United States, in round figures, $1,600,000,000 of all kinds of money. About one-third of it is gold, one-third silver and one-third paper."

"Will you ever tell the truth? interrupted Editor Evans. "The Treasury report shows that our total money, instead of $1,600,000,000 as you have stated, is $2,421,461,747—50 per cent more. Why don't you falsify so as not to be found out?" and with that he handed the Treasury report open at page 438 to Commissioner Rafferty, who glanced at the figures and looked disgusted.

"Of that amount $1,169,390,080 is paper—not $520,000,000 as you have stated."

"I said in round numbers," objected Coin.

"Heaven help the numbers when you're round!" retorted the editor. "This business of falsifying to the extent of over 50 per cent for the pupose of making people believe that we need expansion of the currency is about as brazenly dishonest as anything I ever heard of. It is absurd to talk about our needing the coinage of silver, either free or limited, because we already have more currency in the country than we know what to do with, or are able to use. Our circulation is $1,661,835,000 and lying idle in the treasury, we have $759,626,000 for which there is no demand. What would we do with free and unlimited coinage at 16.1?"

Coin pocketed the rebuke with the air of a man who has suffered and continued:

"'A blunder was made when silver was demonetized. The remedy is to remonetize it and thereby restore its commercial value."

"But if we find, as we have found already, and we surely would, that the use of silver as money, even exclusively, by this Nation had no appreciable effect on the price of the world's supply—that, instead of governing or dictating the ratio of commerce, commerce continued to dictate the ratio to us, what then?" inquired Prof. Laughlin.

"If the commercial value of 23.22 grains of gold is more than the commercial value of 371¼ grains of silver, then reduce it to 22, 21, 20 grains or any number less that may be necessary to put the two at a ratio where the practical effect of free coinage will demonstrate that the ratio is at its natural point and parity easily obtained. I have already stated that on page 141 of my book in these words: 'Reducing the gold in the gold dollar would leave gold

for more dollars and this would assist in establishing rising prices, as it would multiply the number of dollars. The weight of the silver dollar should not be changed. Its integrity should be preserved as originally fixed.

" 'One point should never be lost sight of and that is that higher prices will come with the remonetization of siver, *even though gold goes to a premium.*' "

"Do you stand by that statement?" asked Col. Forrest.

"I do," replied Coin.

"Then, at last the cat is out the bag. You cast aside the bimetallic mask behind which you have been trying to conceal your identity. You stand revealed and self-confessed a silver monometallist and an unblushing advocate of national fraud and repudiation!" exclaimed Col. Forrest in stern denunciation.

A wave of sensation and excitement swept through the hall as the full import of Coin's confession as to his ultimate object and Col. Forrest's accusation impressed itself upon the audience. Hitherto, with Coin and his followers, the cry had been "Bimetallism and free coinage of the two metals at a parity on equal terms." Now the truth was out—they wanted, all along, a silver basis. They had been accused of this before and had strenuously denied it. It had been argued before that free coinage of silver at 16 to 1 must inevitably result in silver monometallism and they had combatted the arguments and declared upon what they were pleased to term their "honor" that they meant no harm to gold, but only sought fair play for silver. All that was now past and the open declaration for a silver basis was of record! The issue was made fairly and squarely for the American people to decide.

"Then you coolly propose," continued Col. Forrest, "that if you succeed in obtaining free coinage, and gold still continues at a premium compared with silver, you will 'put less gold in the gold dollar' and 'bring the weight of the gold dollar down until gold and silver are at a parity,' to quote your own words.

"What does this avowal mean? That the government shall cut all debts in half, both public and private, in order that the debtor class may be relieved by one-half of the burden of their obligations! And this in the face of the express declaration of the constitution forbidding the passage of any law which will impair the obligations of contracts! It is national repudiation and dishonor! It is downright legalized robbery!"

"Money and those debts payable in money," replied Coin, "have been steadily increasing in exchangeable value as compared with the property of the people. A debt for $1,000 that 1000 bushels of wheat would have paid ten years ago now requires the farmer to give 2,000 bushels of wheat in exchange for the dollars with which to pay the same debt. Taxes have increased, as expressed in dollars, and have doubled and quadrupled as measured in the property the people have surrendered, and are surrendering, with which to pay them since 1873," he concluded, boldly pleading justification for the villainy he and his followers propose if the honest men of this honest Nation ever give them the opportunity to carry it into effect.

"Granting for the moment that what you say is true —and it is as false as pretty nearly every other statement that you have advanced," said Col. Forrest, deliberately and emphatically, "the remedy you propose is the confiscation of one-half of the purchasing power of the labor of the country! The reduction in the value of

money one-half would, according to your own theory, advance the prices of all commodities one-half or, in other words, require two dollars from the brawn and brain of labor for the purchase of that which can now be bought for one dollar!" Another wave of sensation swept through the hall, and the excitement became intense. Commissioner Rafferty arose from his seat and said:

"Whenever prices are high, times are good, and there is plenty of work for labor and plenty of employment for capital. If prices go up, so will wages."

"My dear sir," replied Col. Forrest, "you know as well as I do that when prices advance labor is the first to feel it—at the wrong end. Commodities cost more, and the wages of labor is the very last price in the entire list to increase. No matter how much other commodities may rise in price, the man who has only one commodity to sell, his labor, which he is obliged to part with at a forced sale day by day, for daily bread, is ever at a disadvantage. Human selfishness impels his employer to purchase his labor at the lowest price he can be compelled to take, and every advance in wages has always been and I fear, in our time, at all events, always will be preceded by a pitched battle in which labor, whether victor or vanquished, is invariably the greater sufferer.

"Do I need to remind those men in this audience who proudly wear the badge of the grand army of what occurred during the tremendous advance of prices during and following the war? Did not the prices of commodities respond to every upward bound of gold? But did wages ever go side by side with prices? Never! Our inflated paper currency was the heaviest load the laboring men, those who live by the toil of their hands, were ever compelled to carry!"

A spontaneous burst of applause proved that in that audience at least were men with a lively recollection of wild cat and red dog currency and of greenbacks at 60 per cent discount.

"In addition to the confiscation of one-half of the purchasing power of the labor of this country you propose to destroy one-half of the purchasing power of the savings of the country in the shape of bank deposits amounting to nearly $4,500,000,000; of public and private debts amounting to untold sums, and of the money held in trust by life and fire insurance companies, building and loan associations, fraternal and mutual benefit orders and the like. In short, if you gentlemen are allowed your way you will inaugurate an era of legitimatized spoliation and legalized robbery."

"Calling names is always the gold bug's favorite argument," said Coin brazenly. "We have not sufficient money with gold alone and what we have is hoarded away and cornered by the banks so that the people can't get it to use when they need it. We need free coinage of silver to bring the bankers to their senses. We want to kick gold into the street."

"Never in the history of this country, except in 1892, had we so much money in circulation as at present, nor so much per capita," replied Col. Forrest. "In 1873 we had $774,445,610 of all kinds of money, or $18.58 per capita. All except $25,000,000 of this was depreciated paper, and of that small amount of coin and bullion twenty-two and a half millions was held in the treasury. To-day we have $2,421,461,747, or $35.40 per capita, of which only $1,169,390,080 is paper, and every dollar of it is worth 100 cents!

"Your oft repeated idea is that only what you call primary money—gold and silver—adds to the value of property which it exchanges; that thus all paper money and other evidences of indebtedness, including checks, drafts, bills of exchange, etc., have no effect, one way or another, on values. This is an utter fallacy. The fact is that not 10 per cent of the exchanges of the world are effected by the precious metals coined into money. Sir John Lubbock put the amount of such money in England at less than 5 per cent of paper money of all kinds. You are obliged to assume this fallacious theory, that only primary money, or gold and silver, affects values, as a fact. If you did not, your entire system would tumble like a house of cards for the reason that to-day there is an enormously larger and more effective circulation of money in the world than ever before. In the United States, while the population has increased 60 per cent since 1873, the entire volume of currency of all kinds, gold, silver, checks, drafts and bills of exchange, to say nothing of promissory notes, *is over three hundred per cent greater than it was then!*

"This goes clearly to prove that the theory of the repudiators of just debts, which is that low prices are the result of a contraction of currency by the demonetization of silver, is utterly and mendaciously false. Money was never so plentiful and so cheap in England as it is to-day. It is going a-begging in London at one to one and one-half per cent on mercantile loans. In France the gold reserve of its national bank has passed the enormous figure of 2,100,000,000 of francs, nearly every franc of which is represented by another paper franc in circulation. This immense monetary inflation ought to have raised the value of French products if your theory, Mr. Coin, is cor-

rect. And yet it has not done so. Thus, at present the cultivation of wheat in that country has become so unprofitable that, according to the Paris correspondent of the New York *Tribune*, the raising of wheat, which has been the chief factor in that country's prosperity for a thousand years, has become so unprofitable that whole farming districts are gradually losing their population."

"France is, practically, a gold standard country," replied Coin. "It suffers from demonetization in common with the rest of the world."

"On the contrary," rejoined the witness, "France has all the benefits which you claim would arise from remonetization in an enormous volume of currency, combined with all the advantages of a gold standard in the stability of a currency which never fluctuates, except as gold may have a less or greater purchasing power, and none of the disadvantages of a silver standard which requires two silver dollars to do the work of one gold dollar not only in foreign markets but also in its own. You have only to look at the condition of Mexico to realize this fact.

"And yet, with all these advantages, the prices of commodities in France have not advanced!"

"Simply because they are measured in gold," persisted Coin.

"Exactly," assented Col. Forrest, as he was about to resume his seat, "and the prices of commodities in every country in the world will continue to be measured in gold, the United States included, whether we remonetize silver or not. If we adopt a silver basis gold will be at a premium of 100 per cent."

"With silver remonetized," interrupted Coin, "we can, if necessary, by act of Congress, reduce the number of grains of gold in a dollar, as I state on page 143 of my

book. *We can legislate the premium out of gold!*"

"In plain English, then, the result will be that as commodities will be measured in gold, in conformity with the markets of the world, prices will advance 100 per cent while labor, after a fierce industrial conflict, disastrous to both sides, may succeed in obtaining an advance of 25 per cent in its wages and will find itself worse off by three-fourths of its present income than it is to-day. The working people are not fools. Labor will never put it in your power to perpetrate such an act of folly and to degrade itself at first to the level of labor in Europe and ultimately to that of Asia!"

Col. Forrest resumed his seat amid a perfect ovation of cheers. For the first time the workingmen realized what the high prices promised by Coin and his free silver crowd would actually mean. But their eyes had been opened by the action of Coin in casting away all pretense of bimetallism and coming out squarely and flat-footed on a single standard platform of silver.

The commission adjourned till the following morning at 10 o'clock at the same place.

CHAPTER IV.

THE LIVELIEST SESSION YET.

Interest grew in the proceedings of Labor's Commission day by day, and in both political and labor circles nothing else was talked of.

When the fourth session was called to order on the following morning Plasterers' hall contained just seven more men than had been there on the previous day. They had hung a plank by means of ropes over the gallery railing, and, sitting on it, listened to the debate in constant peril of their lives.

Not a minute was wasted. Everybody was on schedule time, and as the bells chimed out the first stroke of 10 o'clock the gavel rapped for silence.

"I will introduce, as the first witness, Mr. Robert L. McCabe," said Chairman Clench, "who has made a careful study of this question. Mr. McCabe is too well-known as a friend of the working people to need any particular remarks from me. He has studied this question from the standpoint of a man whose own interests are bound up in the prosperity of the whole community, and as such we may be sure he has something interesting to say."

The big blacksmith seemed quite surprised at his own fluency, and as Mr. McCabe, a representative professional man, stepped to the front he was cordially received.

"A standard," he began, "must possess the same qualities as the thing it is designed to measure. A standard pound must have inherent weight, a standard yard

must have lineal length, and a standard dollar must have intrinsic value. Twenty-three and two-tenth grains of gold are valued at 100 cents. Our government stamps this amount of gold a dollar, because it is absolutely necessary that the coinage value of a standard dollar shall be exactly equal to its bullion value.

"The experience of the United States with a double standard has been the experience of the world. During the present century all the great commercial nations have substituted the single standard of value for the double standard without discarding the use of silver as a medium of exchange. They have chosen gold as this standard, because it is divisible, indestructible, and because it contains larger value in smaller bulk, and fluctuates less than any other commodity. It is an impossibility to have an absolutely perfect standard of value. The length of a thirty-six inch yard will be exactly the same one hundred years hence as it is now. But the value of a dollar may change in a week, because its value is estimated according to the amount of labor or the products of labor it will buy, as well as our desire to possess it and the cost of its production.

"Gold approaches nearer the perfect standard than anything else because the demand for its possession, the cost of its production and the sources of its supply have been comparatively regular, uniform and constant from time immemorial. This is true of no other commodity. During all the ages silver has been as capricious in its fluctuations as the mercury in a Chicago thermometer. It lacks the necessary constancy of value for a standard, but it has its invaluable uses as a medium of exchange.

"There are potent reasons that appeal to Americans—who have become world-wide traders—to maintain the

single gold standard. To prevent endless confusion, we must keep in line with the commercial powers of the earth. If we would extend our commerce, we must keep in concord with the world by observing its fixed business methods. We are a great and important part of the world, but the world is still greater than we, and can get along without us better than we can without it. We depend upon it to consume our surplus of wheat, cattle, corn, cotton, and our surplus of all other stocks. The great commercial firms of the country, such as those headed by Marshall Field, J. V. Farwell and John Wanamaker, must observe certain settled and uniform rules, if they would transact business together with dispatch, economy and profit. But if one firm should disregard the rules of business, it would do so at the hazard of incurring ruin and disaster which usually result from such a course. And this is equally true of commerce among nations. If commercial firms cannot agree as to the regulations of business, or if nations differ as to the wisdom of maintaining our present gold standard, then they should confer together until an agreement is reached. The advocates of silver would have us repudiate the established methods of the world by adopting silver as a standard of value at a ratio of 16 to 1. They inform us that we are mightier than the world and that by pursuing an independent course we can coerce the world and bring it to our feet."

"You are inconsistent," interrupted Coin. "You admit that silver has its invaluable uses as a medium of exchange, yet you advocate a single gold standard and approve of the demonetization of silver which has resulted in the appreciation of the value of gold because its supply is not sufficient to meet the growing wants of commerce. All other things have correspondingly depreciated in value—

labor, silver and commodities included, and as a result debtors are required to pay their debts in gold, worth much more than the money they borrowed, on account of the double burden you have thrown on gold by demonetizing and degrading its fellow servant, silver."

"That is the false foundation upon which most of your influence with the people at the present moment rests," declared Mr. McCabe. "Chairman Clench tells me that the question of work, wages and prices has been reserved for a later discussion and therefore I shall simply content myself by saying that it is *not* true that gold has appreciated, that it *is* true that silver has depreciated, but not because of demonetization entirely, or even mainly; and it is also true that by the universal use of bank checks and drafts and a limited amount of paper and silver the production of gold is so fully keeping pace with the demand for it that your idea that it can be cornered at the caprice of combinations of capital is untenable."

"To fully understand that gold has not appreciated it is necessary for us to know the use of money as a medium of exchange, as distinguished from its use as a standard of value. We can derive no immediate benefit from the actual possession of money, as it has no inherent qualities which immediately satisfy our wants or gratify our desires. We cannot eat it and we cannot wear it. It will not transport our goods, neither will it carry on our business. We merely use it as a means to attain these objects. We are indifferent whether these objects are accomplished by money or by its substitutes. Since we can derive no direct comfort, benefit or profit from its actual possession, we are induced to deposit it in banks for the sake of convenience and safe keeping. It is accessible for our immediate use at all times. When we are not using it,

the banks allow others to use it. By this means it is constantly employed mediating exchanges either for us or for others. As it is inconvenient to handle the money, we pay our debts and make our purchases with bank checks. This method of doing business has so many advantages that it has become co-extensive with civilization. The bank will soon be the universal cashier and bookkeeper of the world."

"Oh, that's the banker's old argument in favor of a limited or contracted currency which would suit him because it would tighten his grip on the people and enable him to wring a higher rate of usury from the unfortunate borrower," asserted Coin. "What the bankers *don't* want is generally a good thing for the people to have. The people want silver remonetized so that with a great volume of currency in use trade will revive and money cannot be cornered to the detriment of 68 millions of people for the benefit of a few bankers."

This attack secured applause from that small portion of the audience which had not yet been converted from the silver heresy and these few made up in noise what they lacked in numbers. Mr. McCabe smiled as he noticed the effect the claptrap had on these irreconcilables and continued:

"Any child knows that yard sticks cannot sell calico, but that the sale of calico requires the use of yard sticks. A million yard sticks would not increase the business of Marshall Field. It has been truly said by some one, 'that money does not create exchanges, but exchanges create a necessity for money.' It follows from this aphorism, that the quantity of money needed for a country does not depend upon the number of inhabitants, but rather upon the number of exchanges and the commercial meth-

ods of making these exchanges. A large per capita circulation will not increase our prosperity, as Col. Forrest has shown, neither will a large number of yard sticks increase Marshall Field's business.

"In 1892 our per capita circulation was $24.47—the largest amount we had ever had—yet our prosperity was suddenly transformed into depressing gloom, and for two years we have been compelled to suffer the hardships of unprecedented adversity.

"The present bullion value of a silver dollar is 50 cents, yet, as a medium of exchange it does all the work of a gold dollar, as both have the same debt-paying and purchasing power. Silver has this power, not because the government has stamped it a dollar, but because it is the policy of the government to exchange it for a gold dollar whenever it is presented. If the government should fail to carry out this policy for any reason whatever, then the purchasing and debt-paying power of silver would only equal its present bullion value of 50 cents. As Mexico does not maintain such a policy, the coinage value of its dollar is identical with its bullion value.

"*Two Mexican silver dollars, containing 420 grains are daily exchanged in the City of Mexico for one of our silver dollars, which contains only 412 1-2 grains.*"

"The government can pass a law fixing a value, but it cannot fix a value by passing a law. It can pass a law increasing the age of mortality, but this will not suspend the law of mortality and prolong human life. It can pass a law fixing the value of silver, but this will not suspend the law of supply and demand and prevent the fluctuations of its value. Government has not sovereign power over natural and economic laws. It is merely the agent of the people designed to act with intelligence and honesty."

These convincing illustrations of the fundamental principles of money were so apt and so readily comprehensible that the moment the witness paused the audience immediately burst into prolonged cheering and it was fully a minute before Mr. McCabe was able to continue. Commissioner Hobb's honest face fairly beamed, Chairman Clench looked convinced and Commissioner Rafferty knitted his brows and settled himself in his chair, evidently prepared to follow the witness with the closest attention.

"In addition to gold and silver as media of exchange," continued Mr. McCabe when silence had been restored, "we also have a paper currency. The purchasing and debt-paying power of a paper dollar varies according to our estimate of the ability and readiness of the government to redeem it in gold. At one time during the civil war our paper dollar was only worth 40 cents in gold, but when the government resumed specie payments in 1879 it immediately became the equal of gold in debt-paying and purchasing power, and has remained so ever since. Our currency embraces $1,169,390,080 of paper, and $1,252,-071,667 in gold and silver coin or bullion ready for the mint, every dollar of which is the equal of the other in debt-paying and purchasing power. Thus far the supply of gold has always been ample to sustain a safe currency for us. I say a safe currency as distinguished from a debauched and unsound currency. So long as we maintain a safe currency we can have all the gold we need—for there is no scarcity for legitimate demands. The world's supply of gold during the last forty-five years has increased 50 per cent over its supply during the three preceding centuries. Gold measures the value of labor as well as of commodities, and if these incon-

gruous facts prove anything they prove that the value of gold has remained normal, while silver has depreciated on account of its enormous production beyond the demands of the world since the discovery of our tremendous silver deposits in the west and on account of the greatly reduced cost of mining them owing to the application of new and scientific processes."

"You are wrong," interrupted Coin, once more braving a knock-down blow. "The value of silver is the same to-day as ever it was. An ounce of silver will buy as much wheat as it ever did. Silver has stood still while the value of gold has increased. Now suppose that all the world should stop using corn, barley, oats—in fact every other cereal excepting wheat; what would be the result? The value of wheat would increase, wouldn't it? That is just what happened to gold when silver was demonetized by the principal commercial nations of the world. Take another illustration which fits the remonetization of silver in our own country independently of the action of the rest of the world. Suppose that Congress should pass a law to-morrow authorizing the purchase by the government of 100,000 cavalry horses of certain sizes and qualities. The government would enter the market to get these horses and horses would advance in value—not only the kind of horses desired but also other horses for which there would be a demand to take the place of the horses sold to the government. Horses would go up, wouldn't they?" And with a smile of triumph the irrepressible Harvey Coin paused for a reply. He got it.

"I will answer your second question first," said Mr. McCabe. "Your government demand for horses is supposed to represent the demand for silver if free coinage should be established. What would happen would

be this: Every man who had a horse to sell would be on hand on the appointed day and the competition of the sellers among themselves would insure the government getting the animals at their fair commercial value."

"Yes, but if there were less than 100,000 horses in the country," objected Coin, "the fair commercial value would itself rise on account of the demand."

"Temporarily, perhaps," was the reply, "but the inflexible law of supply and demand would operate and the government would quickly find any quantity—an unlimited supply, of foreign horses at its disposal. If the 100,000 horses should be required annually for an unlimited or unspecified number of years, hundreds of men would go into the business of raising horses and presently they would be cheaper than ever. This is just what occurred under the Sherman act. The Treasury Department was ordered by Congress to purchase 2,250 tons of silver, per annum, for coinage into silver dollars. This law went into effect August 14, 1890. During the year 1890 the production of silver was 5,253.95 tons and the price rose from an average of 93 cents per ounce in 1889 to an average of $1.04 in 1890. Stimulated by the government purchase of 2,250 tons of silver annually, the production of it increased by 457.33 tons in 1891 and the average price fell to 98 cents. In 1892 the production was 1,118.54 tons over that of 1890 and the average price fell to 87 cents. In 1893 the production was 1,903.37 tons over that of 1890 and the price fell still further to 78 cents. Then the law was repealed."

"And a good thing, too!" shouted a man in the audience, and laughter mingled with applause followed the exposure of the fallacy of Coin's illustration. Mr. McCabe continued:

"Now, with regard to your wheat story you are more at odds with common sense and every day experience than you are with your horse proposition. Your wheat is intended to represent gold and you want all the world to stop using every other cereal. Then, you say, up goes the price of wheat. You will yourself admit the absurdity of your comparison if you reflect for a moment that the world's supply of wheat is represented by one year's crop. That is eaten up and it disappears so that the demand for wheat is constant and continually increasing with the increasing population of the world. Its value depends upon two things—the amount of supply in proportion to the demand and the cost of production and transportation. With gold it is entirely different. Mulhall tells us that 45 per cent of all the gold produced goes into the arts and manufactures while 55 per cent goes into coinage or remains in bars of bullion for the settlement of balances of trade between nations. There is no telling how much of the gold manufactured continues in a form which would allow it to be put into the melting pot and turned into bullion at short notice; but that amount must be at least 35 per cent of the whole. The amount that disappears by attrition is insignificant, as Mulhall tells us that gold coin in circulation loses only one per cent from this cause in fifty years. Hence, only 10 per cent of the annual production of gold is, like the wheat, used up and lost forever. It follows, therefore, that *the stock of gold in the world represents the accumulation of the centuries and is permanently increasing at the rate of 90 per cent of the total production of the world every year.*"

Again the audience applauded the dissipation of another of Coin's bugaboo bogus theories. Every man of them knew that, bringing the matter close to home, the

little stock of gold jewelry, rings, watches, chains and other trinkets in his own family had accumulated gradually from as far back as he could remember. Every man among them knew that such articles are much more widely distributed to-day than they were 40 years ago when to possess a gold watch and chain stamped a man as a person of some importance and a gold headed cane was considered a badge of eminent financial respectability.

"Now, one word about that 'horrible crime' of 1873, the history of which my friend, Prof. Laughlin, is prepared to lay fully before this commission if it is so desired," continued Mr. McCabe.

"It certainly is desired," Chairman Clench assured him. "We are here to investigate all the facts in the interest of the wage workers who intend to vote on this question as their own interests dictate; irrespective of what banks, bankers, silver miners, gold miners or politicians may desire."

The vigorous cheer with which this sentiment was received showed beyond question that party names and party ties would count for little in the impending struggle between sound money and a debased coinage.

"It is recklessly asserted by the silver monometallists that a great crime was committed by the theoretical demonetization of silver in 1873, and that the law was passed by questionable methods and in a clandestine manner at the instance of a conspiracy of capitalists. If it had been true that there had been a conspiracy among capitalists to enhance the value of money, they would undoubtedly have had gold demonetized, because our up to that time insignificant stock of silver money had utterly disappeared. These conspirators never had any existence except in the minds of men themselves so wicked and cor-

rupt that they find it natural to ascribe only wicked and corrupt motives to others. If there had been any such, and they had intended to run a corner on money, they certainly would have cornered the scarcer metal, which at that time was silver; *and their first act would have been to secure the coinage of silver dollars, not to prevent it, in order to carry out their scheme!*"

Again the applause was deafening as this point was made, and perhaps the most interested man in the hall was Commissioner Rafferty. His sympathy for silver was almost entirely the result of his intense hatred of England. He had been persuaded that the demonetization of silver was the result of a base conspiracy of British capital which had succeeded in bribing American senators and congressmen in 1873 to commit an act that ranked in cowardly perfidy with the treason of Benedict Arnold. By skillfully playing upon this prejudice and plying him with plausible falsehoods, fraudulent statistics and false logical deductions, prepared with infinite craft and cunning by the bonanza kings and their hirelings, Coin had easily convinced him that free coinage was indispensible to the prosperity of this country.

And Rafferty only stands as the type of a large and ordinarily intelligent class of the community.

"Whenever property interests and humanity have come in conflict, England has ever been the enemy of human liberty," said Coin as soon as the applause stopped. "All reforms with those so unfortunate as to be in her power have been won by the sword. She yields only to force. England is the creditor nation of the globe and collects hundreds of million of dollars annually *in gold*, from the rest of the world. We are paying her two hundred millions yearly in interest."

"In gold?" asked Editor Evans.

"Yes, in gold," assented Coin. "She demands it in gold. The contracts call for it in gold. Her policy ever since 1816 has been to draw gold from her victims and then lend it back to them at high interest. You will find that statement in my book on page 132 and elsewhere."

"It is a rather remarkable circumstance," said Editor Evans, "that our total gross exports of gold, not *net* exports, remember, including ores and copper matte containing gold, for the fiscal year ending June, 1894, amounted to exactly $77,162,228. Will you kindly explain how England managed to get $200,000,000 out of $77,000,000?"

"She consumed all of our balance of trade, all our annual gold production of about $40,000,000, and drew on our surplus stock of gold for the deficiency; as I stated in an article in the *Chicago Record* over my own signature," replied Coin, confident that he had very cleverly lifted himself out of a very bad scrape.

"If Commissioner Rafferty will kindly open the Treasury Report, which is at his elbow, at page 282, I will show that Mr. Coin seems to be absolutely incapable of telling the truth," said the editor, who, by this time, was mad clear through at the unbounded dishonesty of "the little school-master." Rafferty did as he had been requested, and Evans continued:

"Is it not true that we exported to Germany, out of that seventy-seven millions of gold, twenty-eight million eight hundred and eleven thousand—skip the hundreds?" Rafferty quickly added two lines of figures and replied:

"The Treasury Report so states."

"Does not the same table show that we exported to France fifteen million, four hundred and fifty thousand?"

"It does," said Rafferty.

"'And to Cuba twelve million, three hundred and fifty-one thousand?"

"That is the amount," said Rafferty.

"Now, please tell Mr. Coin and this audience how much gold England got out of the seventy-seven millions. Give the amount in full and make it as close to two hundred millions as the truth allows," cautioned the editor with a twinkle in his eye.

"14,853,500 dollars," read the Commissioner. He could hardly believe his eyes and looked at his mentor in undisguised amazement.

"How about that forty millions of gold production, Mr. Coin?" inquired the editor. "And while you are at it, will you kindly state what sum John Bull succeeded in getting out of our gold reserve in the treasury? We have already accounted for fifty-six and one-half millions out of the seventy-seven millions without counting England's fifteen millions. I want to know where she got the balance of that two hundred millions in gold?" Coin did the most sensible thing he could have done under the circumstances. He said wearily:

"I give it up. Last year must have been a pretty bad one for British investors."

"Not so very bad," replied the editor. "If one is to judge by the amount of gold imported into England it was next to the best on record. The total gross imports were almost one hundred and twenty-one millions and the net imports twenty-six millions. The biggest year on record for imports was 1891, when one hundred and forty-seven and one-half millions, gross, and nearly thirty millions, net, were the amounts drawn by British investors from all parts of the world. This was not all interest, by any

means. Much of it was capital withdrawn from investment in this country in the process of liquidation which followed the failure of Baring Bros. in 1890, and the fear of what these gentlemen are urging—free silver coinage.

"Now, sir, have you the effrontery to tell this audience that you spoke the truth when you stated to this commission that England annually drew hundreds of millions of dollars in gold from her victims?"

Coin's assurance had deserted him. He made no reply.

"If Commissioner Rafferty will turn to page 344 he will find our gold exports tabulated." Rafferty did so and Evans continued: "Did we ever export two hundred millions in a year, all told, Commissioner?"

"No, sir," replied Rafferty, "the largest amount was in '64—about eighty-nine millions."

"The result of the war," commented the editor. "The next highest?"

"In round numbers, eighty-six and one-half millions in 1893."

"The result of the silver panic. And the next?"

"The sixty-eight millions in 1891," replied the commissioner, who was dazed by the results of the day's exposures. "After that the high numbers are fifty millions in '89, sixty-four millions in '68, sixty-three millions in '66, and sixty millions in '71."

"That's enough, thank you," said the editor. "From 1873 to 1894, inclusive, we exported, net, only $5,538,423 per annum on the average, or a total of $116,306,880—less than this mythical $200,000,000 a year which Coin says England wrests from us as interest. From 1873 to 1891, we imported, net, $32,852,482, and would have continued this profitable state of affairs had it not been for the silver agitation and its resulting panic."

This statement of the editor was received with cheers. "As poor old Story used to say, 'there's another lie nailed,'" he remarked, *sotto voce*, as he resumed his seat beside Col. Forrest.

"The money lenders of the United States," continued Coin, "who own substantially all of our money, have a selfish interest in maintaining the gold standard. They will not yield. They believe that if the gold standard can survive for a few years longer the people will get used to it—get used to their poverty—and quietly submit.

"These men are seeking to rivet upon us the gold policy of England, with nothing but gold to be the primary money of this country. Their policy has driven the administration to go to the pawnbrokers of England to get gold enough to sustain this great government."

This cowardly allusion to the recent bond sale by the government, in spite of the fact that the action of the Cleveland Administration had been indorsed by all the thinking men and the newspapers of the land, irrespective of party affiliations, brought Mr. McCabe, himself a staunch and prominent Republican, to his feet in a moment, in defense of the only course which could possibly have saved the United States from an inevitable fall to a silver basis and the precipitation of the most terrible financial panic in the history of the nations, a panic which would have shaken the commerce of the world from center to circumference.

"We are now stranded with a currency," he declared, "which is kept at par only by the stubborn determination of President Cleveland. He has patriotically declared that he will hypothecate the last dollar of American credit to get the gold that is necessary to maintain our great mass of silver at par. We were not compelled to beg for gold between 1879 and 1885, as we are now doing. We had

an abundance of it, and it stayed with us because its integrity was not threatened by the depreciating influences of silver.

"We were not contented with this fruitful period that followed resumption when we had but $25,000,000 of gold and scarcely any silver, but we must try the experiment of increasing our prosperity by increasing the volume of depreciated silver. We have sadly learned that the result is the reverse of what was claimed and expected.

"Two years ago we had about $600,000,000 of gold and $620,000,000 of silver, but this great addition of silver to our currency has not prevented, but has been the direct cause of, the present widespread financial depression. When I consider that this is the result of the limited coinage of silver, I am appalled to think of the paroxysms of commerce and universal despair that will follow the free and unlimited coinage of this fluctuating metal. Our present thralldom would only be the evening of a long night of intense suffering."

"They'd better listen to reason before it's too late," shouted a big fellow, who had been a constant attendant at every session.

"That's the circus man again," said Hobbs, smiling.

"If people will not listen to reason now, they will be required to learn wisdom with an empty stomach, and gather knowledge in ragged clothes," replied McCabe, and the audience applauded. They were evidently satisfied that he knew what he was talking about. The witness continued:

"The grasp of hard times will not be relaxed until the agitators for a depreciated currency are beaten into harmless silence. Even now capital is eager to plunge into American enterprises and reap profits from an abundant

and common welfare. But we can entice it back only by giving it the positive assurance that we will always be honest enough to return what it gives us, and that we will not return a 50-cent dollar for its 100-cent dollar.

"Until our intentions as to the present issue of free silver are definitely known, capital will continue to shun our investments. We must first convince it that we are not joined to the idol of depreciated silver. It is impossible for us to have a safe system of currency until gold is indisputably established as our single standard of value. Around this standard we can construct a currency that will be the equal of the best in the world. We must fix the center pole before we spread the tent. We must reaffirm our single standard before we can readjust our currency."

The applause and cheering which greeted the last words of Mr. McCabe amounted to an ovation, and the speaker was obliged to rise and bow several times before the audience would be satisfied. After he had sat down, Chairman Clench said, consulting his memoranda, "Mr. McCabe remarked, a short time ago, that Prof. Laughlin was able to give us the history of what Mr. Coin continually refers to as 'the crime of 1873.' I confess I'm in the dark about that crime, and, if it is agreeable to the gentleman, we'd like to hear from him."

"The truth about that matter, and the whole truth, can be quickly told," said the professor. "I have here the books to which I shall refer, and it will perhaps be satisfactory to Commissioner Rafferty if I leave them in his charge to be referred to by you gentlemen, when you write your report." So saying he handed the books to the commissioner. They consisted of *House Executive Documents No. 307, 2d Session, 41st Congress*, a copy of the United States statutes, and a volume of the *Congressional Globe*.

"No codification of the mint laws," he began, "had been made since 1837, and a complete revision of all technical matters of assayage and coinage was undertaken in 1870. An attempt was made to get as nearly a perfect system as possible. Consequently the authorities sent out to scores of experts the new provisions for criticism. Many replies came in and can all be found in the volume of documents I have handed you. In this original bill, sent out for suggestions, a silver dollar of 384 grains standard weight was proposed, or one just equal to the dollar's value of subsidiary coins issued since 1853. In the beginning it was clear that the old silver dollar piece was to be dropped. This was noticed in the replies of the experts; and Robert Tatterson, of Philadelphia, among others, spoke of it as follows:

" 'The silver dollar, half-dime and 3-cent piece are dispensed with by this amendment. Gold becomes the standard money, of which the gold dollar is the unit. Silver is subsidiary.'

"Dr. Linderman, at one time Director of the Mint, also said:

" 'Section 11 reduces the weight of the silver dollar from 412½ grains to 384 grains. It would be better, in my opinion, to discontinue its issue altogether. The gold dollar is really the legal unit and measure of value.'

"The bill was submitted to congress by the Secretary of the Treasury, April 25, 1870, *and after having been printed thirteen times, after having been discussed to the extent of 144 columns of the 'Congressional Globe,'* it did not become a law until Feb. 12, 1873. The act as finally passed is as follows, so far as it is of interest to us:

" 'Sec. 14. That the gold coins of the United States shall be a one-dollar piece, which, at the standard weight of twenty-five and eight-tenths grains, shall be the unit of value. [Then follow directions as to other gold coins.]

" 'Sec. 15. That the siver coins of the United States shall be a trade dollar, a half dollar, or fifty-cent piece, a quarter dollar, or twenty-five-cent piece, a dime, or ten-cent piece; and the weight of the trade dollar shall be 420 grains troy; the weight of the half dollar shall be twelve grams and one-half of a gram; the quarter dollar and the dime shall be respectively one-half and one-fifth of the weight of said half dollar, and said coins shall be a legal tender at their nominal value for any amount not exceeding $5 in any one payment.

" 'Sec. 17. That no coins, either of gold, silver or minor coinage, shall hereafter be issued from the mint other than those of the denominations, standards and weights herein set forth.'

"This is the whole of the much-famed act of 1873, which deals with the 'demonetization' of silver. In the discussions in Congress no opposition whatever was manifested to the omission of the 412½ grain silver dollar; because it had not been in circulation since 1840. The silver dollar was dropped simply because, being worth more than 100 cents in gold, it had not been possible to keep it in concurrent circulation with gold.

"The act of 1873 simply accepted the situation which had been apparent in 1849 and had already been indicated by the act of 1853.

"The act of 1873 did not change anything not already accomplished by the logic of events. Silver dollars were *not* driven out of circulation by the act of 1873, which dropped out the dollar piece of 412½ grains because it had not been in circulation for twenty-five years and more.

"It was in 1853 that the real adoption of the gold standard took place. In the act of that year Congress, after reviewing our experience since 1792, consciously maintained the machinery by which silver dollars were being kept out of circulation, and frankly avowed its intention to then create a single gold standard. And from

1853 to the suspension of specie payments, Dec. 31, 1861, we had only gold as a standard in this country.

"And the land prospered and waxed fat, without any of the silver dollars. They were objects of admiration, to be seen only in museums. Being worth more than 100 cents in gold no one was clamoring for their use with which to pay debts. It was only after 1876, when their value had fallen below 100 cents in gold, that the cries went up to heaven for silver dollars with which to scale indebtedness. That is a significant historical fact. The act of 1873, then, only recognized existing conditions, already accepted by the act of 1853. The following table will disclose the whole history of the enactment at a glance:

Procedure.	Senate.	House.
Submitted by secretary of the treasury..	April 25, '70	
Referred to senate finance committee...	April 28, '70	
500 copies printed....................	May 2. '70	
Submitted to house....................		June 25,' 70
Reported, amended and ordered printed.	Dec. 19, '70	
Debated.............................	Jan. 9, '71	
Passed by vote of 36 to 14.............	Jan. 10, '71	
Senate bill ordered printed............		Jan. 13, '71
Bill reported with substitute and recommitted..........................		Feb. 25, '71
Original bill reintroduced and printed..		Mar. 9, '71
Reported and debated.................		Jan. 9, '72
Recommitted.........................		Jan. 10, '72
Reported back, amended and printed..		Feb. 13, '72
Debated.............................		April 9, '72
Amended and passed by vote of 110 to 13...............................		May 27, '72
Printed in senate.....................	May 29, '72	
Reported, amended and printed.......	Dec. 16, '72	
Reported, amended and printed.......	Jan. 7, '73	
Passed senate.......................	Jan. 17, '73	
Printed with amendments, conference committee appointed................		Jan. 21, '73"
Became a law Feb. 12, 1873..........		

This calm and dispassionate review of the real facts in connection with John Sherman's "horrible crime," as

frequently and recklessly alleged by Coin and his friends, was the more readily and confidently received because of two facts—the distinguished position and honorable reputation of Professor Laughlin, who presented it, and the well known and often proved mendacity of the now notorious Coin, who had been one of the principal agents in disseminating the outrageous story. People did not applaud so much when the Professor got through as they had when he demonstrated that the so-called crime of '73 had been committed twenty years earlier, and that nobody seemed to have found out until forty years afterward that the "awful deed of demonetization" had been done. Coin had already been so thoroughly discredited that the exposure of any further mendacity on his part elicited interest rather than surprise.

Edward Atkinson, of Boston, the eminent authority on social and political economy, whose contributions on these subjects have been widely read and studied, was next introduced. Mr. Atkinson commenced by saying:

"There are two kinds of fools in this world. One consists of the natural fools, and to describe the other a swear word is necessary. That swear word is well applied when Mr. Coin begins to talk about banks and bankers owning all the gold and trying to oppress the community by forcing the use of gold money or its equivalent.

"Money made of gold requires no force. Everybody that can get it wants it. It is only cheap silver dollars that require force to make a man take 'em. The class of condemned fools of the silver-crank type try to make the natural fools believe that banks and bankers conspire against them,

"Banks and bankers own and keep no more gold than is necessary to enable them to pay their debts.

"If there is one standard by which to judge of the relative ignorance or intelligence of a community it is their intelligent support and use of banks or their ignorant opposition to them. The bank is the next friend to the farmer, the mechanic and the tradesman if it is rightly organized and safely conducted.

"If you find a community that will not support banks then you are sure to find a community of ignorant people whom it is not safe to trust, and who may worry along on cheap silver, if they can get it, or any other kind of money that their ignorance will permit them to get—hard to get at that.

"The country was never in a stronger, more prosperous or more progressive condition than in the years 1891 and 1892, so far as all the facts making for prosperity are concerned, except for the condition of the currency. Then came the silver craze, promoted mainly by the owners of silver mines and smelting furnaces. This petty silver industry gave employment in 1890 to a force of only about 33,000 men, half of whom derived the silver from lead or copper ores."

"That's all very fine," interrupted Coin, who was smarting under the roasting he had received, "but what was the value of the product of those 33,000 men?"

"Their total product in any given year," remarked the sage, "was less in value by one-half, or more, than the national product of hen's eggs."

At this sharp reply there was a roar of laughter which Mr. Atkinson checked by a gesture and said, "That statement is not a joke, gentlemen, it is the truth as given in the census report. With an audacity in inverse propor-

tion to their importance, and being in control of a number of seats in the senate in inverse proportion to the number of persons represented, they have spread abroad the delusion that the people need cheap money.

"They are attempting to put bad money upon the people by acts of legal tender; that is to say, money which will not stand the hammer test. The test of true money is the hammer. If gold coin can be placed upon an anvil or in the melting pot and reduced to bullion, it is worth as much after it is hammered smooth or melted as it purports to be worth in the coin. If silver be hammered smooth or melted, it is worth only half as much as it purports to be worth in coin.

"In this effort to defraud the great mass of the people by assuming a false appearance of what is called bimetallism, in their effort to put this country upon a single standard of a 50-cent dollar, these men suddenly brought doubt and discredit upon the Nation. The panic ensued; credit ceased; constructive enterprise stopped. Hundreds of thousands of people who were ordinarily engaged in constructive work and in providing for future need were discharged from work for lack of credit. Prices were forced below the cost of production, and for two years the country has paid the penalty of this delusion of cheap money and the silver craze.

"The pretext under which this nefarious effort has been conducted is that we must raise prices. For whose benefit are prices to be raised by tampering with the currency and destroying the credit of the dollar? Prices were raised in that way by the issue of the legal-tender notes during the war. Prices in 1865 went up double, treble, quadruple what they had been. How about wages? Did they go up double, treble, quadruple? Not

a bit. A day's work of an honest, industrious man in 1865 would only buy for him two-thirds as much food, fuel, clothing and shelter as he enjoyed in 1860."

Again a reference to the days of a depreciated currency and an allusion to the inconvenience and suffering it wrought brought down the house. The big circus man arose in his place and said:

"I was a candy butcher in those days with P. T. Barnum's circus, and we wouldn't let folks even look at a little sack of peanuts for less than a 25-cent shinplaster. Lemonade was a quarter, or three for half a dollar, and my pay was twelve dollars a month and my board."

"If your pay was low it wasn't because there wasn't sufficient currency," answered Mr. Atkinson," for the government turned out greenbacks about as fast as they could be printed. But to return to silver. We are using more silver in this country, and in the world, than we ever did before for money; the demand is constant and it always will be; but the only safe way to use it is to limit the coinage, not to try to force it upon the people who don't want it. Our only security is to make all the silver notes, government notes, and every other kind of representative money payable or redeemable only in gold coin.

"We have the command of the gold of the world. We produce food, fibers and metals which the world must have. We can spare almost all the foreign goods that we import if we want gold for wheat and cotton. When we want gold to use for money, we can have all the foreign capital we want, on a gold basis, in all our constructive enterprises. What fools foreigners would be to trust their capital, now on a solid gold basis, to people who propose to pay them in cheap silver whether they want it

or not! Such men—those who have capital to lend—belong to neither class of the fools that I have referred to.

"*They keep their money.*

"They refuse to trust silver lunatics, and they have been right. When we are fit to be trusted, as we shall be when this silver free coinage craze is stamped out, we shall have a boom in constructive enterprise, and by so much as the industry of the country has been suppressed during the last two years will it become active in the next two years.

"Under the brave and courageous policy of the President and his cabinet, confidence is being restored. Prices which had been unduly depressed have risen, wages are being restored to their former standard, and new enterprises are being presented, with a fair prospect of being worked, provided the silver cranks do not get up another panic like that which they succeeded in making in 1893."

"That panic was the deliberate work of the goldbugs," interrupted Coin. Atkinson took no further notice of his accusation than to look at him with undisguised contempt, as he said:

"The people who are being cheated by the pamphlets and articles in the papers which are paid for by the silver barons had better put some questions to them. The man who wants to go to a financial school should put to Senator Stewart the question, 'Why do you permit your agent to loan money on mortgages payable only in gold?' Why not ask Senator Stewart, Senator Jones, Representative Newlands, and the rest of them, why they don't take their own salaries as members of Congress and senators in silver dollars? Look into the condition of the banks in

Colorado, Nevada, etc., of which some of these men are directors; ask them why they keep their reserves in gold almost wholly instead of silver? Ask them if they are not playing a game in which their motive is, 'heads we win, tails you lose!'"

This hot thrust opened the eyes of some of the Populists present. Could it be possible that any of their most cherished idols were guilty of the "horrible crime" of being bankers? One long-whiskered gentleman, from "way down in Egypt," who had been absent-mindedly squirting tobacco juice on the legs of the man in front of him all day, rolled his quid out of the way of his tongue and shouted: "Don't believe it. 'Taint true!"

"The report of the comptroller of the currency will confirm my statement," replied the witness; "you don't need to take my word for it, my friend. Just come up here to the platform and read it for yourself."

"Wouldn't believe it then," returned the silver crank. "Ben Eckels is a gold bug himself, and you can bet he's got all his facts and figures fixed to give silver the marble heart."

"Yes," put in Coin, "I gave a pretty strong hint in my article in the *Chicago Record* of what I thought about 'figures produced at Washington.' I don't believe in them."

"I shouldn't think you would after the way they've used you up," said Commissioner Hobbs, with a grin. "You'll believe in them less before the laboring people get through with you and your theories—yes, and the farmers, too, for you've fooled them mostly all."

"You are right," said Mr. Atkinson. "The fact is, the greater part of the farmers and the workingmen of this country—the depositors in the savings banks and

the like—have horse sense. They may be rather slow to move. We have been a little too sure that the folly of the silver craze would die of its own corruption. But the people who do possess common sense are finding out the trick, and the silver craze is now being stamped out. Then the true question of bimetallism will come up—not the false bimetallism under which it is proposed to force a man to take silver when he has been promised gold—but a bimetallic international system of coinage, under which there shall be a world's coin made of gold under one name, and a world's coin made of silver under another name—whoever names either in any contract or bill of exchange to be called upon to pay that coin, and not to substitute one for another. That would be a true system of bimetallism, and to secure that the international conference ought to be held."

Judging from the applause which followed Mr. Atkinson's closing suggestion for an international agreement on silver coinage it was clear that the audience was by no means hostile to the proper use of the white metal. Judging from the favor extended to every witness who had exposed the idiocy of the United States attempting to adopt free silver coinage, unsupported by the rest of the world, the unanimity of this mixed audience, consisting as it did, of all classes of men from day laborers to capitalists, from skilled mechanics to members of the learned professions, and from business men conducting their enterprises in a large degree on borrowed capital to bankers, plainly indicated that the vast body of the people would strenuously oppose the commission of such national hari kari.

After the witness sat down there was a whispered consultation between the three commissioners, and at its conclusion Chairman Clench announced that both Commis-

sioner Rafferty and himself would like a little more information on a number of points which were not quite clear to them. They proposed, he said, to ask questions, and any gentleman who had the required information would confer a favor by imparting it. Thereupon Commissioner Rafferty assumed the role of questioner, and it was evident from the drift of his queries that his mind was not yet entirely disabused of the prejudices created by the teachings of Harvey Coin.

"Isn't it true," he asked, "that the national banks are owned by Wall street, principally?"

"It is a most absurd falsehood," replied Colonel Knott. "The owners of the national banks are largely men and women of small means who have put their little savings into bank stocks in order that they may get some income on it. The average holding of stock is only $2,337. There are 287,842 stockholders, and the total amount of national bank stock is $688,642,876.

"You say 'men and women,'" said Rafferty. "What have the women got to do with banking?"

"They own $130,681,494 of the total capital stock, or about one-fifth," was the reply. This seemed to surprise Mr. Rafferty and the audience also.

"How much stock is there in the savings banks?" asked Commissioner Hobbs.

"None," replied Colonel Knott, "in those of the Massachusetts type, and they are recognized as the best we have. The money is deposited, carefully invested and the interest returned to the depositors. The deposits in 1893 amounted to $1,747,961,280 and the number of depositors was 4,777,687 or an average of $365.86, which shows that the depositors are mostly poor people who are trying to save a little for a rainy day."

"How much is deposited in the national banks?" asked Commissioner Rafferty.

"In 1893 the average amount was $1,647,017,129, or less than the savings of the poor. There were 1,929,340 depositors in the national banks who averaged $853.67 each," replied the Colonel, who continued:

"In 1873 there were 1,955 national banks, with a total capital of $488,100,000, on which they earned 5.09 dividends. In 1894 there were 3,741 national banks, with a total capital of $665,453,000, on which they only earned 3.3 per cent dividends. In 1890, while we were at our high tide of prosperity, we had 3,294 national banks, which, on a total capital of $634,773,000, earned 4.27 per cent dividends. It will thus be seen that when times are hard banks earn smaller profits, and also that with a large increase in the number of banks—1,786, or almost 100 per cent—the profits have been materially reduced. In other words, less interest is charged for the use of money.

"I want to say that money in bank is far more effective—that is: far more active, more actually 'in circulation'—than money in a man's pocket. It is loaned, taken out and used to pay wages and comes back again through other channels, and is thus kept in constant circulation, like water in the well; whereas, the money that a man hides in his stocking or keeps in his pocket serves one purpose and one only; it gives assurance to that one man that he is not dead broke. There it is like water in the pond. A bank does not increase the amount of money in a community, but it gathers from various nooks and corners small sums that in the aggregate are powerful, and at once this amount of money which before was ineffective, almost useless, becomes the basis of various commercial enterprises. The establishment of a bank, therefore,

while it does not increase the amount of money in a community, makes that money circulate more rapidly. In other words, it makes it more effective. Sinking a well does not increase the water in the earth, but it makes it more easily obtainable."

"What effect, in your opinion, would free coinage have on all those millions of savings you have just mentioned?" inquired Chairman Clench.

"As Coin has admitted to-day," replied the keen Kentuckian, "free coinage would bring us immediately to a silver basis. That would depreciate to one-half the value of all the savings deposited in the national banks, State banks, or savings banks. It would lower one-half the value of all life insurance, it would decrease the purchasing power of pensions one-half, and of all fixed incomes; it would make borrowing by the poor difficult and expensive, if not impossible; it would advance the rate of interest just in proportion as the prices advance, it would check all of those influences which under the name of civilization are making the good things of life abundant and the common things of life beautiful."

"I fail to see how you figure that out," said Commissioner Rafferty. "If it would advance the rate of interest, and the savings of the people were out at interest, the people who owned the savings would be the gainers by the change."

"Has not Coin told you that his deliberate plan is to cut down debts one-half on the ground that it now takes two bushels of wheat for the one bushel that was borrowed?" asked Col. Knott.

"Yes, I believe he did say that," replied the puzzled commissioner.

"Then," said the colonel, "as the peoples' savings

were loaned out in gold they would be paid back at 50 cents on the dollar in silver."

"That's a fact!" exclaimed Rafferty, "and, by gracious, I have some money in a building and loan company myself!" His alarmed expression as the truth struck home to him caused a ripple of laughter and he did some very heavy thinking for a few minutes.

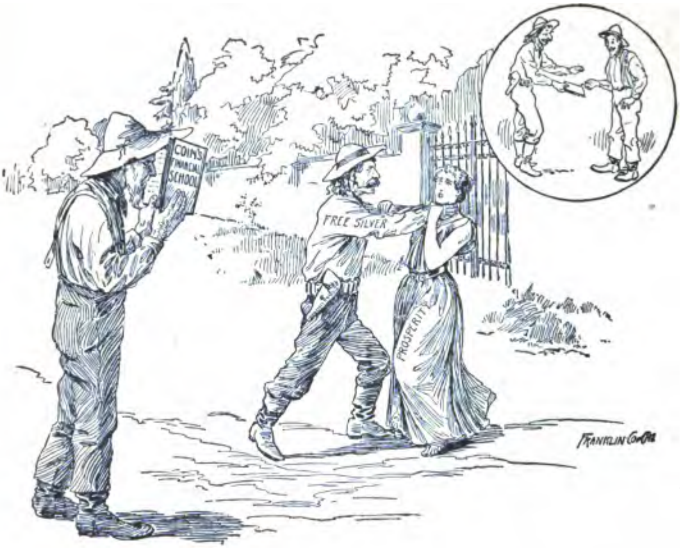
"Let us see what our debts are and who are our creditors," continued the Colonel, "and we have:

Railroad bonds....................	$6,000,000,000
State, county and municipal bonds..	1,100,000,000
Mortgages on farms and homes.....	2,500,000,000
Loans by national banks..........	2,000,000,000
Loans by savings banks...........	2,000,000,000
Building associations due depositors.	450,000,000
Other bank loans.................	1,000,000,000
National debt....................	899,313,000

"Who are the creditors? Are they, as Coin asserts, British and Eastern millionaires? Nothing of the kind!

"The money deposited in building and loan associations is invested in the 2,000 millions of mortgages, most of it due by people in moderate circumstances to others similarly placed. Hence, to reduce the 450 millions of such deposits to 225 millions would simply rob one thrifty class of our people to benefit another thrifty class. Could any sophistry argue this into even a semblance of justice?

"The United States, county and municipal bonds are debts due by the people. Who are the creditors? To a large extent 4,777,687 depositors in savings banks whose average savings is $365.86! *They have loaned almost 109 millions of dollars to the United States on its bonds, to the*


COIN'S
FINANCIAL
SCHOOL
FREE SILVER
PROSPERITY

READING "COIN'S FINANCIAL SCHOOL."

states, counties and municipalities over 500 millions, to the railroads almost 122 millions, on mortgages almost 780 millions, and they have invested 248 millions in other securities, industrial and otherwise! They have over 44 millions in bank stocks, and have loaned the banks 88 1-2 millions more!

"*The money loaned by these state and national banks is not owned by Wall street or the British octopus. It comes from the $3,500,000,000 of deposits made day by day by thousands upon thousands of depositors from all classes of citizens!*

"Out of the total mortgage debt of 2½ billions 1¼ billions is owed to the humble people who save a little from their wages for an evil day.

"Mr. Coin and his friends propose to bring on that evil day suddenly by cutting what they have saved in half so that the $270, the average building association deposit, may become $135 and the depositor's next door neighbor, perhaps, who is the borrower, may be released from $135 of his debt of $270!

"In the same way, that the thrifty mechanic or factory hand, who has toiled hard for his little savings of $365.86, the average savings bank deposit, may be robbed of $182.93 of his poor little scrimpings in order that the Western farmer, who has borrowed the $365.86 on mortgage may repudiate $182.93 of his just debt! Would that be honest or right? (Applause.)

"The favorite American investment of the 'British bloodsucker' for many years has been in our railroads. The total capital stock of these roads is $5,021,576,000. Their funded debt is $5,510,225,000.

"To change the measure of a commodity does not alter its value. To cut a yard stick in half does not make 36 inches of cloth less than 36 inches. If the full yard is

worth a dollar, as measured in other commodites, when you have reduced your yard stick to 18 inches you will have to pay 200 cents for a true yard of cloth.

"Therefore, supposing that the railroad stocks are now worth their par value, cutting the dollar to half its present value will simply double the value of these stocks, as measured in the depreciated dollars. That will make the much watered railroad stocks worth $10,043,152,000. But as the debts of the roads will all be payable at 50 per cent discount, because the 50 cent dollar is to be made legal tender for all debts, public and private, the funded debt would be reduced to one-half, $2,755,115,500."

As the keen witted newspaper man resumed his seat the audience again broke out in cheers and applause, in which all three of the commissioners joined. Rafferty's free coinage ideas had received a death-blow.

"Mr. Coin has stated," said Commissioner Hobbs, "that our foreign trade is insignificant and only amounts to four per cent. of the business of the United States. Can any gentlemen tell me how much it amounts to?"

"I can," replied Editor Evans. "Under normal conditions we buy of foreign nations about $800,000,000 annually and sell them as much more. The amount varies. Some years, when we have heavy crops, we sell a great deal more than we buy, and we have extra good times as a result. It is safe to say, however, that our foreign business amounts to nearly $1,600,000,000."

"Over a billion and a half," exclaimed Chairman Clench, "and yet he calls that insignificant!"

"It is more than the entire state and municipal debt of the United States combined; and, in round numbers, over three-fourths of the state, municipal and national debts of our country combined," said the editor. "It is consider-

ably more than all the coin and bullion, gold and silver, in the United States, and amounts to 9½ per cent of our total trade."

"How do we pay our half of it?" asked the big blacksmith, who looked puzzled. "If we have to pay in gold we haven't enough gold to come anywhere near it."

"We don't," replied the editor. "What we sell is offset against what we buy. If we have sold more than we bought the foreigner pays us gold for the difference, and vice versa. If we had free coinage all our gold would leave us within a week and we'd have to pay our balances in silver. Then, for every dollar we owed in gold we'd have to pay two silver dollars—our debt of 100 millions would become 200 millions, and the same would be the case wherever we have made a contract to pay in gold."

"So far from 'a war with England' proving 'the most popular war ever undertaken' it would prove the most unpopular and a national calamity. From the commercial point of view it would mean the impoverishment of millions of our people. England is a better customer to us than all the rest of the world combined. Last year we sent her merchandise of all sorts to the extent of $431,059,267 and only bought of her $107,372,995; while to the rest of the world we sold $461,081,305 and bought $547,621,627! Any child can see who paid the profits of our toiling masses so far as they came from our foreign commerce. Can farmers and factory hands afford to throw all this away to suit Mr. Coin?

"In 1873 our foreign commerce was $1,164,616,000 with a balance of trade against us of $119,656,000. In 1894 our foreign commerce was $1,547,135,000 with a balance of trade in our favor—a *profit* of $237,145,000."

This concise statement of facts so carefully avoided by the free silver party was applauded as it deserved to be, and Commissioner Clench then took a hand in the proceedings:

"Looking over the Treasury Reports," he said, "I can't see that we need to make more money—that is, more currency, in this country. It appears to me we have plenty without free coinage."

"We haven't enough *primary* money," replied Coin. "What we have is principally paper, and the result is shown in my explosion diagrams on pages 56, 62 and 63 of my book." He had hardly concluded when he found himself being mauled once more by Col. Forrest, who said:

"Our total money in 1873 consisted of $25,000,000 gold reserve and $749,445,611 of paper, worth in gold, July 1st, 1873, $647,521,000.

"*We have to-day more than this amount in gold coin and bullion, viz., $693,681,100!*

"We have $513,174,338 in silver coin and bullion, *every dollar of it maintained at par with gold, or a total of $1,206,855,438 in gold and silver, $432,409,827 in coin over and above the total money of this country in 1873.*

"*In brief: In 1873 we had $25,000,000 of 'primary money,' in 1895 we have $693,681,100 of 'primary' or 'redemption' money—gold.*

"*In 1873 we had a paper currency of $749,445,611, supported by $25,000,000 in gold and the confidence of our own people—at a discount of 13 6/10 per cent.*

"*In 1895 we have a paper currency of $706,120,000 supported by $693,681,100 in gold; also silver bullion and coin with a market value of $256,587,000 in gold and the implicit confidence of the whole world—at par.*

"*We have, therefore, sufficient 'primary money' to redeem every dollar of our paper currency with 100 cents in gold, and then have 144,148,000 gold dollars left over.*

"'So far as the volume of currency is concerned we had in 1873 $18.58 per capita in paper, worth $16.05 in gold. We have now $35.44 at par, a more than ample amount as compared with the per capita currency of the other great nations. England handled a total business, domestic and foreign, in 1890, of $13,256,346,000, with a total currency of $793,239,500—scarcely more than our gold, of which $603,446,000 was coin and $189,793,500 was paper. France had a total currency of $2,155,859,500, of which $559,647,500 was paper and $1,596,212,000 was coin, to carry on a total trade of only $8,136,788,000. We had in 1890, $2,121,794,000, with $1,012,232,000 of it paper, and $1,109,562,000 in coin, and did a total trade of $15,558,-200,500—the largest in the world. But, it will be observed, we used 286 per cent more currency than England had to carry on 16 per cent more trade than she. Here is a table showing these facts in convenient form and in greater detail:

TRADE AND MONEY OF FOUR LEADING NATIONS, 1890. —MULHALL.

Country.	Total Money.	Paper Money.	Coin.	Foreign trade.
England....	793,239,500	189,793,500	603,446,000	3,601,210,000
Unit'd States	2,121,794,000	1,012,232,000	1,109,562,000	1,557,280,000
France......	2,155,859,500	559,647,500	1,596,212,000	1,513,481,500
Germany....	1,158,227,000	345,521,500	812,705,500	1,786,005,500

Country.	Domestic trade.	Total trade.	Trade per capita.	Money per capita.
England...	9,655,136,000	13,256,346,000	347.95	21.41
U't'd States	14,000,920,500	15,558,200,500	248.19	34.06
France....	6,623,306,500	8,136,788,000	214.82	57.42
Germany..	7,324,082,500	9,110,088,000	193.68	24.33

"So long as there is sufficient of the medium of exchange to effect exchanges," continued the witness, "a redundancy of that medium can do no possible good. Within a few months we have seen our treasury more than once brought face to face with a suspension of gold payments, and a sudden fall to a silver basis through the manipulations of unpatriotic combinations of capital. By forcing the redemption of greenbacks and treasury notes in gold, they so depleted the reserve of 100 millions that to protect the credit of the Nation the administration was forced to purchase gold on the most favorable terms that could be obtained at short notice.

"Nor was this made possible by the scarcity of gold in the country. We had on July 1, 1894, $627,293,201 in gold coin and bullion, but owing to a faulty financial system this vast amount could not be made available, so the object of the raid was secured.

"We do not need more currency. If that would improve business it would have improved it in France and in this country; yet such is not the case. We had enormous inflation in 1873, with a paper money per capita of $18.58, which brought on a panic of serious diminsions, from which it took the country five years to recover. We would be in a better financial condition with a considerably smaller volume of money. In 1878 we had $15.32 in circulation and only $1.31 in the treasury. Then the expansion of the currency began, in obedience to the clamor of the free coinage leaders and greenbackers, who persuaded the people that more money in circulation would raise values. The currency was expanded, but values continued to fall and the theory of these gentlemen was disproved by the results of experience.

"By 1882 we had $28.20 per capita, and of that amount circulation was only able to take up $22.37, while $5.83 slept in the treasury. In 1885 the per capita had increased to $32.37, but the needs of the country only demanded $23.02, so $9.35 lay idle. In 1890 we had $34.24 per capita, but $22.82 proved sufficient and $11.42 lay idle. In 1894 we had $35.44 per capita and $24.33 proved ample for the people's needs, while $11.13 remained in the treasury. These figures are all given in the Treasury Report for July 1 of each year. It therefore appears that about $25.00 per capita is the largest volume of currency we require.

"From 90 to 95 per cent of all our commercial transactions are settled without the use of any currency whatever by means of bank checks, drafts, bills of exchange, etc., and by recent statistics, collected by the Comptroller of the Currency, it appears that 50 per cent of our retail transactions are settled in the same way. *In 1892, when we were at the high tide of prosperity almost 61 billions—61 thousand million dollars—of business transactions were settled by this means. In 1894, while times were hard, 45 thousand million dollars worth of business was thus transacted without the use of a single dollar of currency.*

"Congress should lose no time in reducing the volume of our paper currency. It is beyond question that most of the gold coinage of this country is hoarded, while it should be freely passing in and out of the treasury to assist in carrying out the financial policy of the country.

"On Oct. 2, 1894, $197,000,000 in gold was held in reserve by the national banks alone, to say nothing of state banks and other fiduciary institutions and the secret hoards of the people. All the gold required by the treasury could be obtained from our own people by the issuance

of long term, low interest bearing gold bonds in denominations of $50, $100 and $500, to be offered to the people for gold. By this means the $346,681,000 of greenbacks might be gradually retired and the country would never feel it, especially in view of the fact that at no time since 1878 has there been less than 400 millions of idle money in the treasury, nor since 1888 less than 600 millions. The amount has varied from 697 to 759 millions during the past five years. With this 350 millions of demand notes out of the way a serious menace to the treasury gold reserve would be removed, and the reserve itself could be enormeously strengthened—beyond any possibility of its being effected by manipulations or attempts to 'corner gold.'

"That cube of gold is troubling me," said Commissioner Rafferty.

"Then don't let it trouble you any longer," replied Editor Evans. "I suspected Coin's figures on general principles and I have been investigating the matter with the aid of his favorite authority, Mulhall. That gentleman states on page 310 of his really invaluable *Dictionary of Statistics* that in 1890 the world's stock of gold coin and bullion amounted to 8,820 tons, valued at £1,213,000,000. Since then the world has produced 875 tons, in round numbers. Deducting Mulhall's percentage for arts and manufactures, 45 per cent., that leaves 481 tons to be added to the world's stock or a total of 9,301 tons of gold in 1893, which gives us a total stock, of $6,249,000,000 in gold instead of $3,900,000,000 as Coin states. Of course, his object in making gold seem as scarce as possible is apparent to everybody—yet he wouldn't mislead any one for the world, oh, no!

"Now, making the calculation for his cube on his own

plan we find, in round numbers, but on the safe side, that instead of 9,796 cubic feet of gold the world has 15,697 cubic feet. Of course a little matter like 5,901 cubic feet of gold at $398,098 a cubic foot is a mere trifle to the airy Mr. Coin! You therefore see that a cube 25x25x25 feet would still leave the insignificant sum of $28,663,056 in golden cubes a foot each way to find some other place to stop at."

Laughter and applause followed this new exposure, and when the house was again quiet Commissioner Hobbs inquired whether Mr. Evans had also investigated the 66-foot cube of silver which Coin alleged was all of that metal in the world.

"Oh, yes, I've looked that up, too," replied Mr. Evans, "and find, as usual, that Coin, not to be mealy mouthed about it, has lied outrageously." Coin winced and looked as if he would like to take a walk.

"Coin says on page 104 of his book," continued the editor, pitilessly, "that the Director of the Mint states in his report for 1890 that there was in the world $3,820,571,-346 in silver coin and bullion. Do I quote you correctly, sir?" he asked turning to Coin.

"You do. That's what I say in the book."

"I have no doubt you also quote the same figures in your 'invaluable hand book,'" continued the editor. "Now, Mr. Rafferty, will you please turn to page 180 of the *Treasury Report*. What is the head line on that table?"

"Monetary systems and approximate stocks of money in the aggregate and per capita in the principal countries of the world," read Rafferty.

"You will note that it only claims to give the principal countries—not the whole world. Does it say anything about bullion?"

"Not a word," replied Rafferty. "It only gives the coin and paper money."

"And how much silver coin does it say there is in the world?"

"$4,055,700,000," said Rafferty, and Coin looked wicked.

"You note," said the editor, "that the Director of the Mint gives the coin *alone* at over four billions, while Coin makes him give both coin and bullion at 200 millions less than that amount. Now let's see what Mulhall says. Turn to pages 309 and 310 of his dictionary. He there states that the world's stock of silver coin and bullion in 1890 was 165,000 tons valued at £1,213,000,000, or in our money $5,919,440,000. He further states that only 53 per cent of this vast stock of silver was in coin.

"Since that time the world has produced 18,826.61 tons of silver which, at the average market price of each year, was worth $106,291,078. Deducting for arts and manufactures, as directed by Mulhall, 27 per cent, that leaves $287,379,582 to be added to the world's stock of silver, or a total of $6,190,444,082 instead of $3,820,571,-346 as falsely stated by you, Mr. Coin, in that 'invaluable hand book' of yours.

"But let us take it in tons, and now for your cube. Instead of there being 282,085 cubic feet of silver in the world—if that were the total stock nobody would raise any objection to free coinage at 16 to 1, I can tell you, the correct quantity according to Mulhall's statement in tons and with the production of 1891-3 figured as stated, is 409,574 cubic feet, or 31 per cent more.

"Increase your cube from 66 feet each way to 74 feet each way and there will be enough cubic feet left over to give you $167,471,050. If you had that much money you

wouldn't need to invent statistics for a living," and with that thrust the editor sat down again.

In an instant the commotion in the hall was something terrific. Yells, groans, cat calls, hisses and howls of rage burst forth as if seven hundred thousand devils had snddenly been let loose. The noise made by 409,574 cubic feet of cats suddenly let loose in tophet with their claws clipped would have been sweet music compared with the row those men kicked up.

They had been honestly deceived into believing in a false theory by a dishonest charlatan who, as was now quite evident, was not troubled with any such thing as a conscience.

When the exposure of his alleged statistics first began, those who had been convinced by his specious arguments and seemingly irrefutable figures made light of what they sincerely believed might be unwitting errors. But as the testimony went on knocking away prop after prop upon which his whole argument was built all men of intelligence perceived that the charitable theory of accident must be abandoned in the presence of the overwhelming evidence of deliberate design.

In not one single instance had an error been found which told against the theory of unlimited coinage of silver; on the other hand there was not a single alleged statistical fact of strategic importance in the battle he was waging which had not been found to be either unfairly stated, recklessly distorted or absolutely and willfully false.

Therefore, the intelligent men whom he had with fraud and deception deluded into adopting his views and fighting under his banner were now mad with rage; and had he not been protected by his intellectual opponents on

the platform there is no doubt that he would have been roughly handled. As it was, he shivered and trembled like a whipped cur and, so far as it was possible, hid himself behind the men whom he in his book had vilified and misrepresented to an extent that under a less liberal form of government than ours might have been deemed criminally libellous and punished with a term on the treadmill.

After a vigorous use of the gavel for several minutes Chairman Clench at length succeeded in restoring some semblance of order; and in a brief speech he urged his hearers to be patient. Instead of harm being done, he said, by the statements of Coin he was satisfied that ten men would be saved from folly for every one who had thrown away his belief in sound money to worship at the silver shrine. Every man who was brought back to the path of national righteousness by the full publication of the facts as developed before Labor's Commission on Coinage would go forth as the most enthusiastic and best equipped of missionaries among those of his fellows who still clung to the delusion and bring them tenderly and lovingly back into the honest money fold.

Then the disorder began again.

At this juncture the big circus man jumped up on his chair and shouted:

"Let him alone, boys—I know he's fooled you, but I'll bet a silver dollar that he's feeling worse over it this minute than you are."

A glance at the cowering figure on the platform was sufficient to point the humor of the big fellow's remark and a roar of laughter went up, which cleared the atmosphere. In a moment, instead of an infuriated mob, the audience became once more a typically good natured

American crowd. Taking advantage of the lull, Editor Evans resumed his argument.

"The opening remark of the appendix to Mr. Coin's book," he said, "states that he was never asked during his mythical lectures to answer the proposition of the over-production of silver, and that under-production was now conceded by every one who had investigated it.

"I am one who has investigated the subject thoroughly.

"Starting with the year 1600 the world had 23,000 tons of silver. By 1700 this increased to 45,000 tons, or 96 per cent. By 1800 the quantity was 88,000 tons, again 96 per cent. In the next 48 years the quantity had grown to 113,000, or 19 per cent. By 1880 it was 145,000 tons, or 22 per cent in 32 years. By 1890 it was 165,000, and by 1893 the quantity was 178,745 tons, or an increase of 215 per cent in 100 years.

"This increase was out of all proportion to the increase of the world's population, for it must be remembered that the silver produced does not disappear, but remains and accumulates, only 27 per cent being used in arts. Hence, the time comes when the demand fails to keep up with the supply. That time has arrived, as the figures for the last three years will show. The world's total production was 18,828.61 tons. Of this 13,730.77 tons was coined and manufactures took 5,083.61 tons. This apparently accounts for 18,814.38 tons, leaving a balance of 14.03 tons. But in the meantime there had been purchased by our government 7,028.11 tons, of which only 1,241.72 tons had been coined up to Nov. 1, 1894, and there was left on hand 5,783.73 tons of silver, simply because this Nation could not assimilate such an enormous amount of silver coin. We had become saturated with coin. Mean-

while, under the enormous increase in production and the uncertainty of the demand from the Orient, in particular, the price fluctuated from $1.36 per ounce in 1859, with a constantly downward tendency. It never again reached $1.36. It remained at $1.33 until 1865, and $1.32 until 1872. By this time the great silver strikes were in full blast, and better methods of extracting the metal from its ores were being used. In 1873 the price was $1.29, in '74 $1.27, in '75 $1.24, when the production in this country alone had risen from 4,500,000 ounces in 1862 to 35,750,000 in 21 years, when it was 49 per cent of the total production. In 1877 the price had dropped to $1.20, and even the passage of the Bland act in the following year failed to prevent a further fall to $1.15. It then came down gradually to $1.06 in 1885, 93 cents in 1889 and received a boost in 1890 by the passage of the Sherman act, when it rose to $1.04. But the old-time Oriental demand had departed, and even the purchase of 2,250 tons a year did not save silver from dropping to 98 cents, 87 cents, 78 cents and 63 cents in three years. We were quickly glutted with silver dollars, and have nearly 6,000 tons of bullion lying idle in the treasury vaults. India, which coined 4,013 tons in 1891–3 is also glutted and has closed her mints.

"China needs about 200 millions of dollars as a token of regard to Japan. This government has the best part of 6,000 tons of useless metal, and we had better get rid of it as a job lot; for with our own demand, and India's, cut off, and our silver miners so insane that they will mine metal which costs $2.00 an ounce, or 'even more,' to quote Mr. Coin, for 63 cents, I fail to see what is going to be done with the almost 7,000 tons a year the world is producing.

"To say that the coinage demand would put the metal back to its old value, if we should open our mints to it, is an absurdity on its face in the light of these facts. I very much doubt if concerted action on the part of the whole world would have any better effect; for it is notorious that our own mines, if worked to their full capacity, could treble the present output of the world inside of two years. And they would, too, if the nations would all coin their bullion into dollars or exchange it for gold at a 16:1 ratio."

As the witness concluded the circus man arose and said:

"My name is Reuben Haye, and the boys all call me 'Hey Rube' because I travel with the red wagons." "Platform," shouted the crowd and the big fellow obeyed the command.

"You may think it's queer for a plain man like me to take an interest in this thing but I've been studying it hard," and with that he pulled a copy of Coin's book out of his pocket. The book was well thumbed and stuffed with scraps of paper scribbled over with manuscript.

"Now, he says here," Hey Rube continued, "on page 119, that this country owes in various kinds of ways 40 billions of dollars, and that the whole of the property in the United States is only 24 billions and a half, so if what he says is true we're a ruined community. We're so bankrupt that there isn't a bit of good ever trying to get solvent again. It means a debt of $597 for every man, woman and child in the United States. Nobody would take any stock in that except a man gone clean luny on Coin and the silver craze.

"*But the census, which he pretends to quote, says the true value of all our property is over 65 billions. Do you*

see what a reckless liar he is?" Again the audience howled and applauded.

"Look at the way he 'estimates' it. He puts in 'overdue accounts' to the amount of five billions—five thousand millions, or $74.62 per capita. Most people would have a fit if anybody told them they could get a chance to run in debt that much. It's rubbish, that's what it is!

"Then look at what he allows the pawnbrokers—one thousand million dollars. He wants us to believe that each of us, man, woman and child, owes $14.92 to our uncle. I'd like to know where we got all the property that we've put up the spout. It must have cost, retail, when new at the very least five thousand millions—five billion dollars, or our uncles couldn't have loaned any billion on it. They're not doing business on any better basis than 20 per cent of the retail price, and not once in a dozen times will they give you that much.

"I know. I've had to soak my watch more than once, for all I've got $40,000 worth of property. Those pledges, then, cost the people $74.62 apiece, all around. I'll bet Coin a new hat that I can show him half a million people in this town who never owned $74 worth of property at one time in their lives; and half a million more who were never inside a pawnbroker's shop.

"But the thing that puzzles me is, where did these pawnbrokers get that billion dollars to loan out? There are 34 principal cities in this country. There are 60 pawnbrokers in Chicago, 75 in New York, 60 in Boston, 20 in St. Louis, 20 in Frisco, 20 in New Orleans, we'll say, and to lump it and do the square thing by Coin we'll say there's 1,000 of them in the whole country. Of course you couldn't find that many if he'd give you all the sil-

ver he forgot accidentally on purpose to put into that light-weight cube of his.

"But, anyway, say there are 1,000 pawnbrokers. I want to know where they got the billion dollars to loan out? That would mean a million dollars apiece. Think of it! Your uncle has a million dollars loaned out and of course more, besides, to run the business from day to day.

"I did think Coin was some as an inventor of statistics, but as an estimater he comes under the wire before the others get into the stretch. He outclasses Baron Munchausen and Joe Mulhatton. To quote my friend, Keogh, the horse reporter:

> " 'The fiblets
> Of his giblets
> Knock old Ananias out.'

"Well, he goes on and loads us up this way.

"Private debts, $14.92 apiece. Maritime debts, one billion. Say, where is our American merchant marine, anyway? I didn't know we had any till I read this. Surely he can't mean that our inland lake trade, coasting trade and fishing industry ever got people with a billion soft enough to loan it on a plant not worth 200 million, all told?

"Then, just by way of making good his rash assertion of a 40 billion debt, or else because he loves to invent things, he claps on four billions more for overdrafts, judgments, taxes and any other little items that he thought might get away from him while he wasn't looking, and so tacks on another $59.70 a head. Then he sticks on $11.91 a head for 'increase,' estimating the ratio at the same rate as during the 10 years from 1881–'90, when everything was booming

to beat the band. He knows well enough that the strings have been drawn tighter and tighter the last three years, until a man would hardly give his own grandma credit for a bar of soap.

"This is the rot that made me tired to start with. I was a free silverite myself till I read Coin and he set me to thinking. The more I read and thought the more foolishness I found out, till I made up my mind that if any cause needed bolstering up with lies and fraud it must be a mighty bad cause. I didn't have to read any gold bug literature to get my bearings. I just found out where I was at for myself, and I've made up my mind to vote against free silver if I had to vote for George Francis Train to do it!" and with that the good man lurched heavily over to the table and shook hands with the commissioners and witnesses, introducing himself as "Hey Rube from Canvastown."

The commission then adjourned.

CHAPTER V.

HIGH WAGES AND LOW PRICES.

Old Sol himself smiled when he emerged from his morning bath in Lake Michigan, as if he had been permitted a glimpse into the immediate future and could already see the triumph of Truth, scheduled by Fate for the fifth session of Labor's Commission on Coinage.

At the close of the second session in Plasterer's Hall, the crowd on the stairway and in the street had exceeded in size the audience inside. In order that all who desired to witness the greatest battle of the series, from the standpoint of the laboring man, mechanic, manufacturer, farmer, trader, in fact every class of the community—the war of wages and of prices, the Honest Money League had placed the Auditorium at the disposal of Labor's representatives for the following day.

Hours before the time announced for beginning the proceedings the doors of the great theater were besieged by a crowd which completely blocked Congress street and overflowed onto Wabash and Michigan avenues. By 9 o'clock the crush was almost equal to the one which occurred in the same vicinity during Chicago Day at the World's Fair. At 9:30 o'clock, when Manager Milward Adams, of the Auditorium, attempted to reach his office, even his splendid physique availed him nothing against the good natured turbulence of the mob, and he found himself tossed about hither and yon as if he had been a feather. He was obliged to give up the attempt, and finally gained an entrance through the stage door.

When at length the doors were thrown open it seemed as if the vast building's capacity for swallowing up a crowd had become suddenly limited, and after every inch of standing room, even, was occupied, enough men to fill Battery D still found themselves outside. Within, millionaires and mechanics, lawyers and laborers, ministers and merchants, physicians and politicians, bankers and bookmakers found themselves rubbing elbows with each other on the ground of common interest.

Great public questions make strange companionships. The mere announcement that wages and the fall in prices would be discussed; in other words, that the silver question in relation to the private pocketbook, would be the subject, had been sufficient to draw together this heterogeneous multitude.

The platform was crowded with notabilities—many of them men whose names were known beyond the confines of their state and country. Mayor George B. Swift, Col. George R. Davis, Wm. T. Baker, president of the Board of Trade; Secretary Stone, of the same body; Senators Stewart, Jones, Allison, Cameron, Morgan and Vest, Congressmen Joe Sibley and "Silver" Bland, Ben F. Richolson, Gov. Altgeld, Joseph Medill, Wm. Penn Nixon, Secretary Hinrichson, H. H. Kohlsaat, John R. Wilson, Editor "Clint" Evans, James W. Nye, Judges Ewing, Tuley, Tuthill, Goggin and Hannecy, R. W. Knott of Louisville, Clarence Darrow, big ex-Sheriff Matson, Dr. Holmes, ex-Judge McConnell, ex-Mayor Hopkins, Robert Emmet Burke, "Doc" Jamieson, Slason Thompson and others, exchanged greetings and circulated among each other in a manner to give no hint that a great political battle was to be practically decided by the outcome of that day's debate.

Beside the tall form of the great financier, Senator Sherman, stood that modern "little giant" William E. Mason, "the long and the short of it" on this occasion. In a group near the center of the stage stood Senator John M. Palmer, President Robbins, of the Honest Money League, "Jake" Richards, Sigmund Zeisler, Adlai T. Ewing, Lyman J. Gage, Professors J. Lawrence Laughlin and D. McLean Hardy of the University of Chicago, John R. Walsh, E. G. Keith, N. W. Harris, and Dr. Thomas, in earnest conversation. Ex-Congressman Harter of Ohio and Senator David B. Hill of New York formed a little group, with Edward Atkinson, the noted political economist of Boston.

And in the front row, conversing with the silver senators, was Mr. Harvey Coin, with a smile as if of confident anticipation on his lips, but with a feeling of depression deep in his heart. This day he would fight in his last ditch and he secretly dreaded the outcome.

As the hour of 10 o'clock struck, the tapping of the gavel commanded silence and those on the platform immediately took their seats. Before them stretched a sea of faces from inside the orchestra railing away up to the very roof. As it was noticed that those on the platform were seating themselves the hubbub of conversation suddenly ceased and an expectant hush pervaded the most magnificent audience, in point of both members and intelligence, that ever thronged the Auditorium.

"The meeting will please come to order," said Chairman Clench, and the audience shouted, "louder." Raising his voice the big blacksmith continued: "This is the most magnificent meeting I ever saw and I am proud to be its presiding officer. We are here to-day to discuss the subject of wages and the fall in prices, and all citizens are

invited to ask questions or make statements or arguments touching the questions under discussion. We seek the truth and only by hearing both sides shall we succeed in finding it."

At this moment, Coin, who had previously left the stage, reappeared at the "prompt" entrance, followed by two men carrying a large blackboard which they secured in the center of the stage, close to the foot lights, with theater braces, under the direction of Master Carpenter Barstow. Upon the blackboard had been chalked what appeared to be a table of the prices of wheat, cotton and silver from 1872 to 1893, and it was announced in large letters that these were the average export prices for the years given.

"This," said Coin, "gives you the decline in wheat, silver and cotton since 1873. I say 'decline,' but it would be equally true for me to say that these figures register the *rise* in the purchasing power of gold. Property is standing still and gold is going up.

"It is a common thing now to hear the expression that the silver in a silver dollar is only worth 60 cents, or fifty cents, as the case may be at the time. When we had a double standard and silver was the unit, such a thing as its being worth *more* or *less* than a dollar was as impossible as it would be now for the gold in a gold dollar to be worth more or less than a dollar. Had gold been destroyed as primary money by the same nations and silver made the standard, we could have had gold in the form of token money to-day worth, say, fifty cents on the dollar as measured in silver."

"Do you know anything about the year 1864?" inquired Jacob W. Richards, formerly South Town assessor for many years.

"I know everything," replied Coin.

"That was while silver was still primary money, as you claim?" pursued Mr. Richards.

"It was."

"Greenbacks were at a discount and much below silver, were they not?"

"They were."

"Or silver was at a premium compared with greenbacks?"

"It doesn't matter which way you put it. Silver was worth at least its unit value, 100 cents in the dollar, and greenbacks were away below par."

"And how much was gold worth?"

"Gold was at a premium too."

"Wasn't it at a lower premium than silver?"

"I believe it was."

"Silver was worth, in gold, $1.03 for 371¼ grains, whether coined or uncoined. Therefore, as you claim we had a double standard, why wasn't the silver in a silver dollar, as decreed by Congress, exactly equal to the gold in a gold dollar? How could the unit be worth more than unity?" And Coin said he would think about that curious phenomenon.

"This table," he went on rapidly, although his voice was drowned by the titter of laughter which ran through the audience, "demonstrates beyond a doubt that silver and other staples have fallen in price or, rather, that gold has appreciated, and therefore that silver is the best standard of value."

"Why so?" asked H. H. Kohlsaat, who, in his newly acquired paper, the *Times-Herald*, was making a magnificent fight for sound money and was keen to pick out the fallacies of Coin's reasoning.

"Because silver has remained stationary, while gold has gone steadily up."

"Didn't the price of silver fluctuate before 1873," continued Mr. Kohlsaat, "the same as any other commodity?"

"No. It was gold which fluctuated," insisted Coin.

"Oh, I see," said Mr. Kohlsaat thoughtfully. "Supposing that the prices of silver and 21 other commodities in the list change in a single day, some advancing and others decreasing, it is really not the prices of commodities which have changed, but the price of gold as measured in the commodities. What a busy time gold must have of it!"

This palpable absurdity was received with laughter, and Coin, evidently nettled, said:

"You won't argue the way I want you to, Mr. Kohlsaat."

"Not while I retain my reason," was the sententious reply. "All values are merely relative. They have been, they are and they will continue to be measured in gold."

"This is the proper way to look at the matter," persisted Coin, "as I say on page 111 of my book:

"If we were to double the weight of the gold dollar by putting $46\frac{4}{10}$ grains in it, we would thus reduce the value of all the property in the world, as expressed in dollars except debts, as they call for so many dollars. If we were to cut the gold dollar in two and make it $11\frac{6}{10}$ grains we would thereby double the value of all the property in the United States except debts. That's the way we reason it."

"I have heard of persons at Elgin and Kankakee who reason in much the same way," replied Mr. Kohlsaat. "By the same process all a farmer has to do to get rich is

to cut each acre of his land in half and call each half an acre. Instead of 200 acres he has 400 and, of course, raises double the crop he grew before.

"Then he calls in his neighbor and sells him 200 acres because his 400-acre farm is too big for him to work. By and by he gets greedy and subdivides again, goes through the same motions and again sells 200 acres, always, on your 'reasoning,' getting as big a crop as he did with the original 200 acres. A third time he takes what is left, by now reduced to 50 acres, measured on the silly old plan in use before you showed him how to get rich so easily, and cuts it again in half, making another 400 acres, and sells half of it. He would then be able to retire from business and let his boys turn the 25 acres into 400, then 12½ acres into 400, then the 6¼ acres into 400, each time selling 200 acres, until they got it down to a fraction of an acre. Of course there is no doubt in your mind that people would pay the original price per acre, no matter how many times the subdivision might be made. How strange it is that nobody ever thought of this simple plan for growing rich until you were kind enough to point it out!"

This caused another laugh at Coin's expense, and he was about to leave the stage in a huff when Chairman Clench reminded him that he had merely exhibited his table of figures without drawing any conclusions from it.

"Those figures, sir," said Coin with chilling dignity, "present the best possible proof of the great truth which I have discovered and dwelt on in my book—the analogy between silver and all other commodities. As silver rises, so commodities rise. As silver falls so fall commodities. This is a law of nature which is not easily ex-

plained, but by means of price tables like this, covering periods of years, I have been able to demonstrate the infallibility of my theory. Look at the blackboard, gentlemen. Note the prices in 1872—wheat a dollar forty, cotton, eighteen cents, and silver a dollar thirty-two. Then look at 1893, after twenty years of demonetization, and see how the prices have exactly kept step with silver in its downward course—wheat sixty-three cents, cotton seven cents, silver seventy-two cents. Take the next two years at the top and bottom of the list, 1873—wheat a dollar twenty-five, cotton eighteen and two-tenth cents, silver a dollar twenty-nine. 1892—wheat eighty cents, cotton eight and seven-tenth cents, silver eighty-six cents. This is one of the strongest arguments for silver as a money metal—its inspired sympathy for other commodities. Look at it again in 1884—wheat a dollar seven, cotton ten and one-half, silver only a dollar and eleven cents. Notice what followed in the next year—wheat eighty-six cents, cotton ten and six-tenths, silver a dollar six. The theory is perfect."

"I have my doubts about those figures," said Coin's most unmerciful critic, Editor Clinton Evans, of the *Economist*.

"You don't need to," retorted Coin. "I took them from the report of the Department of Agriculture."

"While the department wasn't looking?" asked the editor drily. "I notice that you have eighty-five cents as the average export price of wheat in 1892, and I happen to remember that wheat only touched eighty-five cents in Chicago once in all that year."

"I might have made an error in copying, but I don't think so," said Coin.

"We'll soon find out," said the editor, "for Secretary Stone, of the Board of Trade, is with us and is prepared to give the prices in the '70's and '80's."

Mr. Stone arose from his place on the platform between President Baker and John R. Wilson, of the *Evening Journal*, with a small octavo cloth-covered book in his hand.

"I object to Mr. Stone using any private records of the Board of Trade," protested Coin. "I have no confidence in them."

"Will the records of the government of the United States be satisfactory?" inquired Secretary Stone in that bland and gentle manner which has made him one of the most popular men connected with the greatest grain mart in the world.

"That will depend on circumstances," suggested Col. Knott. "Our friend didn't seem to relish the government records brought to his notice yesterday —not to any alarming degree." There was another laugh at this and when it was over Chairman Clench said:

"After consulting with my fellow commissioners I find that we are unanimously agreed on the full credit which should be accorded the records of the government. Mr. Stone will oblige us by stating whether the figures given by Mr. Coin are correct or not."

"Well," replied Mr. Stone, who is blessed with a keen sense of humor, "Mr. Coin has certainly made *some* of the quotations correctly."

"Which are the correct ones?" asked Commissioner Hobbs.

"Wait a minute," put in Chairman Clench. "What book are you quoting from, Mr. Stone?"

"The 'Statistical Abstract' issued by the Treasury Department for 1894," replied the witness. Then he continued, "Mr. Coin gives correct quotations of the export prices of wheat in 1887 and—." Running his eye up and down the blackboard and then up and down the columns of figures in the book he stopped. Finally he ejaculated, "Bless my soul! That's *all!*"

This discovery created a great sensation. Men could not believe that even Coin, with all his effrontery, would dare to attempt such a rank imposture as this.

"Surely you must be mistaken, George," said President Baker. "You've got hold of the wrong table."

"Indeed I haven't," declared the secretary. "This is page 411 and gives the average New York, or export, prices of wheat for the years in question. As to cotton," he continued, "the gentleman is a good deal closer. His quotations are correct for the years 1877 and 1880."

This neat bit of sarcasm, so deftly delivered, provoked a shout of laughter from those on the stage which was taken up and reechoed by the audience.

"Do you mean to tell this commission, sir, that out of 44 quotations only *three* are correct?" asked the chairman.

"That is the case, sir," replied Mr. Stone,

"I shall not say what I think of this disclosure, sir, at this time," said Clench, turning to Coin who looked like a man who has been caught cheating at cards, "but I shall certainly let this audience understand the full extent of the deception you have attempted to practice." Then turning to Mr. Stone, he said: "If you will oblige the commission and also the audience by reading off the correct figures I have no doubt Commissioner Hobbs will

be pleased to write them on the blackboard alongside those of Mr. Coin."

This suggestion was immediately carried out and when the blackboard, which had been turned with its back to

AVERAGE EXPORT PRICES OF WHEAT AND COTTON EACH YEAR.

Prices of wheat and cotton given correctly by Coin are in bold face figures.

	WHEAT, BU.		COTTON, LB.		SILVER, OZ.	
Year.	Coin's price.	True price.	Coin's price.	True price.	Coin's price.	True price.
1872	1.40	1.25	18.0	22.2	1.32	1.32
73	1.25	1.24	18.2	20.1	1.29	1.30
74	1.35	1.15	15.0	17.9	1.27	1.28
75	1.10	.94	15.0	15.5	1.24	1.25
76	1.20	1.00	12.9	13.0	1.15	1.16
77	1.17	1.04	**11.8**	11.8	1.20	1.20
78	1.30	1.19	11.1	11.2	1.15	1.15
79	1.07	1.21	9.9	10.8	1.12	1.12
1880	1.25	1.27	**11.5**	11.5	1.14	1.14
81	1.11	1.32	11.4	12.0	1.13	1.14
82	1.19	1.28	11.4	11.5	1.13	1.14
83	1.13	1.17	10.8	11.9	1.11	1.11
84	1.07	.97	10.5	10.9	1.01	1.11
85	.86	.96	10.6	10.5	1.06	1.06
86	.87	.88	9.9	9.3	.99	.99
87	**.89**	.89	9.5	10.2	.97	.98
88	.85	.97	9.8	10.	.93	.94
89	.90	.88	9.9	10.6	.93	.93
1890	.83	.98	10.1	11.	1.04	1.04
91	.85	1.09	10.0	8.6	.90	.99
92	.80	.91	8.7	7.7	.86	.87
93	.63	.74	7.0	8.6	.72	.78

the audience, was again turned to view it presented the appearance of the table herewith given, the true prices being placed in deadly parallel with those which Coin had attempted to foist upon the public.

Hoots, yells and jeers arose from that dense mass of humanity as soon as men had had time to grasp the full

meaning of the attempted fraud; and it was with some little difficulty that order was restored. Coin stood stolidly with a cynical smile playing around his mouth. What did he care? It was all in his day's work. It was a desperate last chance. He had taken it and lost—that was all.

Editor Evans, who had been rapidly figuring on slips of paper at the reporter's table, now advanced to the front of the platform and said:

"I want to call the attention of the public to the theory advanced by Coin and the reason he quotes these figures. There is, according to him, a direct relation between the price of silver and the prices of all other commodities. In view of this fact I want you all to notice that from 1872 until 1880 silver sold for over a dollar—from $1.32 down to $1.12. It is his object, therefore, to make the prices of wheat and cotton appear larger than they are, especially the top figures of '72, '73 and '74 when silver was above $1.24. What is the fact? His falsified figures increase his prices prior to 1880 from an average of $1.12¾ a bushel for wheat, the government quotation, to $1.23—a mighty long difference in the average price of wheat for a whole year. From 1886 to 1893, when silver dropped from 99 cents to 78 cents, he wishes, in order to make his empiric and senseless theory look convincing, to reduce the price as much as possible. Consequently we are not surprised when we find that he falsifies the true figures, 91¾ cents a bushel, to 82⅝ cents!"

A storm of hisses arose and shouts of derision rent the air. For a moment it looked as if there was about to be a repetition of the scenes of the previous day in Plasterers' Hall when Coin's deliberate and willful falsification of the relative amounts of gold and silver in the world in

the form of coin and bullion had been shown beyond question to amount to thousands of millions of dollars. Men shouted and hissed and yelled the most insulting epithets at the contemptible fellow who had done his best by falsehood, trickery and deceit to lead, not only them, but an entire Nation astray.

While the storm of indignation was at its height Commissioner Rafferty arose from his seat and advancing to the footlights held up his right hand with a commanding gesture, which had the desired effect of obtaining silence. When the tumult was at length stilled the handsome young Irishman turned to Clench and bowing gravely said, with impressive earnestness:

"Mr. Chairman, it is due to this commission, to the representatives of organized labor assembled here and to myself that I should make an explanation in regard to my position and the degree of responsibility I have had in bringing Mr. Coin before the laboring people of this city, I may say of this country, as the champion of a financial system which seemed to me to be logical and right.

"I read this man's book, sir, as I fear many thousands of others have done. Being quite unlearned even in the rudiments of political economy, for I am free to make a clean breast of my ignorance, knowing nothing of either the inexorable laws of commerce, which I now find must govern and limit every monetary system which man may devise, or the financial history of the United States, I fell an easy victim to the lies and impudent assertions of which that book, as I am now convinced to my shame and sorrow, is composed.

"I was instrumental, sir, in bringing Mr. Coin before the Federation, for which act I now publicly ask the pardon of my fellow members. During the five days in

which he has appeared before this commission it is only too apparent that he has practiced the most infamous deception. Indeed, in the light of this last exposure, which unmasks the most impudent fraud that has ever come under my notice in debate, I only wonder how we could so long have tolerated the presence of a man of this character among the honorable gentlemen and patriotic citizens, who have by their truthful evidence revealed an unscrupulous and dishonest character in his true colors. For that I tender to those gentlemen, Mr. Ewing, Mr. Evans, Mr. Knott, Colonel Forrest, Professor Laughlin and Mr. Haye my personal apology for the share I have had in associating them with such a person.

"In conclusion, sir, I move you that,

"*Whereas*, Harvey Coin has been upon numerous occasions openly and publicly convicted of conduct of which no honorable man would be guilty,

"*Resolved*, That the said Harvey Coin be now expelled from this platform, and that hereafter he be denied a hearing before this commission."

During the delivery of this terrible denunciation silence, intense and oppressive, was maintained. Indeed, it seemed as if no man in all that vast throng of people even drew breath from the moment when Commissioner Rafferty, pale as marble and in a low but clear and distinct voice began to speak, until the last word was uttered.

Meantime, Coin stood like one petrified. A blow so swift, so sweeping and so terrible, falling from the one man on the commission whom he believed he controlled absolutely, seemed to paralyze his powers of thought and action, and he stood there transfixed, with a piteous expression in his eyes, like that of a dumb beast in the presence of inevitable death. Those who sat near him on the

platform could even find it in their hearts to pity him, in spite of his having courted, by his own outrageous conduct, the withering and contemptuous repudiation which fell in an unbroken stream from the lips of the eloquent young labor leader.

As Commissioner Rafferty concluded, Coin, in shame, turned his back on the audience to hide his face; then for one brief instant he faced his accuser. For, perhaps, three seconds they stood thus and then, with a despairing gesture he turned to the other two members of the commission who had been so suddenly constituted his judges.

Instinctively his eye sought that of Commissioner Hobbs. The audience, in breathless suspense, maintained the grewsome silence. Chairman Clench had allowed his head to fall forward on his breast, and it was evident that his well balanced mind was actively at work. At length the eyes of Hobbs and Coin met. There was appeal, desperate, pitiful appeal, in those of the latter, while Hobbs' were cold and hard and sternly unforgiving.

The silence was broken by Hobbs. "I shall not speak," was all he said.

Then Chairman Clench threw back his head and sat erect.

"The resolution is a just one," he said. "I second it and it is so ordered."

As Clench pronounced the sentence Coin accepted the inevitable, and, without waiting to pick up a single book or paper of the many he had brought with him, he slunk dejectedly to the nearest stage entrance and disappeared.

The audience, with a keen appreciation of the scene which had just been enacted before their eyes, generously refrained from any demonstration beyond an uncontrollable sigh of relief as Coin noiselessly sneaked away.

For a moment there was an awkward silence which was relieved by the tact of President Baker, of the Board of Trade, who, as if one of the most sensational scenes in all the history of public debate had not just taken place, said quietly:

"I wish to call your attention, Mr. Chairman, to the prices for 1871, when, according to the last witness we had the silver unit of value," and, referring to a memorandum book, he quoted: "'Corn was 48 cents, cotton 17, wheat $1.04, and oats 40, the average being 52½ cents. In 1891, under a single gold standard, corn was 70, wheat $1.09, oats 46, cotton .08, the average being 58¼ cents. In 1871 silver was $1.32 per ounce and in 1891 it was 99 cents. In other words, *the average prices of the great staples, wheat, corn, oats and cotton rose from 52 1-4 cents in 1871 to 58 1-4 cents in 1891 while silver declined from $1.32 to 99 cents!*'"

The pent up feelings of the multitude found in this telling point an excuse for working off the surplus steam, and the applause which followed was vociferous and long continued. When the house had become somewhat quieter Senator Jones arose and said, with a glance toward the blackboard where the figures given respectively by Harvey Coin and Secretary Stone still remained:

"One swallow, sir, does not make a summer, nor the proven dishonesty of one man convict a whole party. I do not desire to cast any suspicion upon the figures quoted from the Statistical Abstract by the secretary of your Board of Trade. But, sir, there are other commodities in this country, other crops which our farmers raise in bitterness and travail in an almost hopeless attempt to keep that insatiable and inexorable creditor, the usurer of Great Britain or of our own Eastern states, from fore-

closing the mortgage on the poor little spot of earth which is his all—his home. And what applies to the farmer applies equally to the poorer and middle classes of our citizens. They are all debtors—all mortgaged to the capital of England and the Eastern States. It is for the sake of these poor people that we must obtain relief from the load of debt which the appreciation of gold has saddled upon them."

"With the Senator's permission I would like to reply to that statement," said Sigmund Zeisler, rising. "I think I can disprove the common idea that our people of small means are all in debt to the East and to England or that it is capitalists, even, who own most of the mortgages. I will not detain the gentleman long."

"With pleasure, sir," replied Mr. Jones, giving an example of that 'senatorial courtesy' so frequently mentioned.

"The money deposited in building associations and saving banks," began the brilliant young lawyer, "is not simply placed in safes and allowed to lie there until called for. It is loaned out at interest and kept in constant circulation in order that it may earn a profit for the thrifty, though humble, people who have saved it from their earnings. They have denied themselves many little luxuries in order that they may put something by for a rainy day, as the saying is.

"According to the report of the United States commissioner of labor, there were in this country on January 1, 1893, 5,836 building associations, with 1,745,725 individual shareholders. Their total assets amounted to $526,-852,885. According to the report of the comptroller of the currency, the savings deposits in the various savings banks in the United States in 1892 amounted to $1,712,-

760,026; the number of depositors was 4,781,695. The census of 1890 shows that the then net value of all life insurance policies outstanding in the United States on December 31, 1889, was $618,468,059; the number of policies being 4,537,286, and the amount of insurance $3,691,686,594. If you figure up these items the total result reaches in the neighborhood of $3,000,000,000. This sum represents credits owned by persons numbering more than 11,000,000 people, and an average for each of $258. They are the creditors who will be most deeply affected if they are to be repaid in depreciated silver dollars.

"Another point. The pension list in our last budget footed up, in round figures, $140,000,000. The crippled soldier who fought for the preservation of the union; the poor old widow who receives the paltry sum of $8 a month to compensate her for the loss of her husband, will have their pensions,—debts, justly owed them by Uncle Sam and payable four times a year, cut in two by the free coinage of silver.

"The laborer is a creditor of his employer for the value of his labor at the end of every day. He will receive his pay in 50-cent dollars, and all the employes of all the governments, municipal, state, and United States, whose salaries are fixed by law, will find themselves paid with dollars of only one-half of their present purchasing power.

"The silvery-tongued demagogues tell you that silver is your friend, silver is the money of the people. But I say to you, that there is no money too good for the people; that there is no money good enough to pay the orphans and widows of the heroes of the late war, no dollars big enough and valuable enough to pay the man who faithfully toils for his bread, and daily adds to the re-

sources and greatness of this country."

This impassioned address, brief though it was, bristled with facts which went home to the hearts of the audience, and Mr. Zeisler resumed his seat with enthusiastic applause and cheers ringing in his ears. While he was speaking, the written record of Coin's disgrace —the paralleled tables, had been rubbed off the blackboard, and in its place now stood a full table of the average export prices of wheat, corn, oats and cotton, together with the average price of silver from 1870 to 1895, put there by President Baker and Secretary Stone of the Board of Trade.

EXPORT PRICES OF WHEAT, CORN, OATS, COTTON, AND SILVER, IN THE NEW YORK MARKET.

Years.	Wheat, bu.	Corn, bu.	Oats, bu.	Cotton, lb.	Silver, oz.
1870	.94	.55	.43	24.	1.33
71	1.04	.48	.40	16.9	1.33
72	1.25	.40	.34	22.2	1.32
73	1.24	.48	.37	20.1	1.30
74	1.15	.65	.52	17.9	1.28
75	.94	.42	.36	15.5	1.25
76	1.00	.37	.35	13.	1.16
77	1.04	.36	.29	11.8	1.20
78	1.19	.51	.31	11.2	1.15
79	1.21	.50	.37	10.8	1.12
1880	1.27	.55	.43	11.5	1.14
81	1.32	.63	.46	12.	1.14
82	1.28	.80	.52	11.5	1.14
83	1.17	.65	.43	11.9	1.11
84	.97	.61	.36	10.9	1.11
85	.96	.53	.36	10.5	1.06
86	.88	.48	.35	9.3	.99
87	.89	.51	.34	10.2	.98
88	.97	.57	.35	10.	.94
89	.88	.43	.29	10.6	.93
1890	.98	.48	.29	11.	1.04
91	1.09	.70	.46	8.6	.99
92	.91	.54	.36	7.7	.87
93	.74	.50	.36	8.6	.78
94	.61	.51	.37	6.9	.63
95					

They had thus fairly and squarely met the issue raised by Coin, with bogus statistics, by giving the true figures; and so far as the leading staples are concerned, they had demonstrated that the mythical "sympathy with silver" claim is an arrant absurdity.

"When I made way for my able young friend, Mr. Zeisler," resumed Senator Jones, "I was about to make a statement and issue a challenge. I maintain that though the prices of a few agricultural products may not prove my case, the fact is that gold *has* appreciated, and that to compel debtors who borrowed under a double standard, and who then had the privilege of repaying their loans in silver, to pay in gold and forbid them to pay in silver coined under similar circumstances is the height of injustice. Free coinage and restoration of the legal tender power of silver will correct that. Prices of nearly all commodities have fallen in a demonstrable ratio with silver, and I am prepared to stand or fall on that statement. I notice that Mr. Atkinson of Boston is with us. I defy him to disprove it and challenge him to the proof."

This defiance was applauded by a number of men who were attending a session of the commission for the first time and knew nothing of the complete victory won by gold over silver in all the other branches of the wide discussion the subject had received.

"I accept the challenge," said Mr. Atkinson, taking a position in the center of the stage. "I am prepared to prove that the reduction in cost from 1873 to 1890, the last year for which I have figures, in agriculture, manufactures, transportation and commerce will more than account for all the reduction in prices, and that the statement that gold has appreciated is an economic blunder. I will prove that under the gold standard men are paid

higher wages, and that the purchasing power of what they earn is much greater than in 1873 or in any year before it."

"Prove that," shouted a man in the top gallary, "and we will vote against free silver. But you'll have to prove it so that we all can understand it." This interjection was applauded heartily. The man had evidently voiced the sentiment of the meeting.

"During the panic of 1893," continued Mr. Atkinson, "which was caused entirely by the attack on our gold basis by the advocates of free silver, and the fear that they might succeed, prices were forced down below cost by the paralysis of trade and industry which ensued. Vast numbers of men and women were forced into idleness; the capital of the country was impaired and our progress was crippled. The rich grew no richer and many of the poor were brought to the verge of starvation. When the history of that nightmare of national calamity comes to be written the names of the men who brought it upon us will live only to be held up as examples of perverted intelligence or of selfish greed and public dishonesty almost beyond belief."

At this point John Sherman and William E. Mason, often called "The People's William" because of the successful stand he took against closing the World's Fair on Sundays in Judge Stein's court, looked hard at the group of silver senators who, with ex-Judge McConnell, "Silver" Bland and Congressman Bryan, of Nebraska, sat on the opposite corner of the stage.

"In order to demonstrate my arguments," continued the witness, "it will be necessary to use what are called 'index numbers,' as Mr. Coin in his 'Financial School' has already done. There may be some of you who do not understand the term 'index numbers,' and in order that

you may appreciate the facts I shall make use of I will explain: The average price of a commodity is taken for a certain year and represented by the number 100. That is par. Then the average price of the same commodity is taken in other years and computed in relation to the price of the index year. According as its ratio is higher or lower it is added to, or subtracted from, 100; and thus the ratio of increase or decrease is expressed in its most convenient form. For the purpose of this demonstration I shall not begin with the year 1873, as Coin in his book has done; nor shall I, as he has done, take only the English prices prepared by Augustus Sauerbeck in his index table. That would prevent you farmers and you men who live by your labor, and depend upon daily wages, from seeing the effect of cheap money on prices and wages. You want to know all about that, don't you?"

"You bet we do!" shouted a hundred voices in chorus.

"Therefore," continued the witness, "I take the prices and wages from the Report of the Finance Committee of the United States Senate, computed under the direction of Commissioner Carroll D. Wright. You all know him."

The name of Mr. Wright, whose services to the cause of labor have been so highly appreciated, was greeted with applause.

"If you need any further guarantee," resumed Mr. Atkinson, "I might refer you to my friend, John Sherman." Again the audience applauded. "Hush! for goodness sake," pleaded the witness. "I was going to say, if you had allowed me to finish, that I would refer to Senator Sherman but for the fact that he is the bold, bad man who committed that horrible crime in the dead of night away back in 1873."

This sally provoked a roar of laughter and applause, and in obedience to repeated cries of "Sherman, Sherman," Ohio's greatest son was obliged to rise and bow several times.

"These prices," continued the witness, "as well as the London prices, compiled by Coin's chosen authority, Augustus Sauerbeck, who is one of the most reliable statisticians in the world, have been computed and compared by Prof. Roland P. Falconer, of Johns Hopkins University." At this point Mr. Atkinson beckoned and John Barstow advanced from "prompt" entrance with a big calico banner, upon which had been painted a table, showing prices, wages, and purchasing power of wages in 1860 and in 5-year periods until 1890:

PRICES, WAGES AND PURCHASING POWER.

	1860	1865	1870	1875	1880	1885	1890
Meat	100	197.	174.3	140.4	103.6	107.6	99.6
Other food	100	240.3	146.3	135	116.9	97.2	103.5
Cloths and clothing	100	299.2	139.4	120.1	104.5	84.8	82.4
Fuel and lighting	100	237.8	196.5	156.5	100.2	89.6	92.5
Metals and implements	100	191.4	127.8	117.5	96.3	77.4	73.2
Lumber and building materials	100	182.1	148.3	143.7	130.9	126.6	123.7
Drugs and chemicals	100	271.6	149.6	144.2	118.1	86.9	87.9
House furnishing	100	181.1	121.6	95	85.2	70.1	69.5
Miscellaneous	100	202.8	148.7	122.9	109.8	97.5	89.7
Average of all prices	100	216.8	142.3	127.6	106.9	93	92.3
Average of all wages	100	143.1	162.2	158.4	141.5	150.7	158.9
Average wages by importance	100	148.6	167.1	158	143	155.9	168.2
Salaries of city teachers	100	134.7	186.3	188.1	182.8	186.3	186.3
Paper money	100	49.5	81.1	88.8	100	100	100
Gold price of silver bull'n in L'd'n	100	99	98.2	92.2	84.7	78.7	77.4
Purchasing power of wages	100	66	114.1	124.1	132.3	162	172.1

This big banner was suspended by two halliards lowered from the "gridiron" above by one of Mr. Barstow's assistants, and it hung over the heads of those on the stage, the letters and figures being large enough to be plainly read in every part of the house.

"The first thing I want to call to the attention of every farmer, every salaried man and every wage worker

in this magnificent audience," resumed Mr. Atkinson, "is the effect of a debased currency—cheap money, whether it be greenbacks at a discount or silver coined far above its value and unsupported by gold and the credit of a solvent government, is sure to have upon wages and the things that wages must buy.

"You will see by looking at the table that the average of all prices and the average of all wages is taken as 100 in 1860. By 1865 we had high prices as the result of cheap money. It was paper money, which in 1860 had been represented by 100, or par, and now had fallen in value to 49.5. Silver had also dropped one point, from 100 to 99. All prices had advanced to 216.8, in paper money, greenbacks, and wages had also advanced—but *not*, as the free silver men are trying to tell you they will, 'keeping step with advancing prices.' Wages had advanced to 143.1 in paper, and owing to the unequal advance in prices their purchasing power was only .66 instead of 100 as in 1860. Do you understand that clearly?"

"Sure thing," "You bet," "Anybody could," and similar shouts from the crowd assured the eminent economist that he had chosen the right method to impress the facts upon his audience.

"Now," he resumed, "let us see what happened to us in consequence of our abandoning the free coinage of silver by the law of 1873. That is the charge that we are here to meet. We resumed specie payments in 1879 and therefore the state of things in 1880 will clearly indicate the evils of adopting a gold basis and standing ready to redeem all our promises to pay, in gold. By this time the era of high prices had taken a turn, and we find the average of all prices indicated by 106.9 while wages had also gone back to 141.5, but paper money was again at

par, and therefore the purchasing power of wages was 132.3 instead of 66; while their average amount had increased from 100 in 1860 to 141.5. Labor was better paid and lived in greater comfort than it had twenty years before. And yet, in spite of this magnificent prosperity silver had declined from 100 in 1860 to 84.7."

This plan of bringing the whole history of prices, wages, cheap money and its effects down to a few figures, so that it could be understood as readily as if it were a map, was new to the audience, and the witness was cheered for his lucid explanation of the meaning of the table. Thereafter they would be able to read its meaning for themselves.

"You will observe," continued Mr. Atkinson, "that while the average of all prices has fallen from 100 in 1860 to 92.3 in 1890 the average of all wages has risen from 100 to 158.9 and that the purchasing power of wages has increased more than 72 per cent.

"To make this a little more pointed in relation to the charge of our friends, the enemy, that an awful deed was done when silver was demonetized in 1873, we will take the figures closest to that year, 1870, and compare with them the figures of 1890. Let us see how the wage worker has suffered during this time. In 1870 the average of all prices was 142.3, wages 162.2 and purchasing power 114.1 in greenbacks. *In 1890 prices were 92.3, wages 158.9 and purchasing power, in gold, 172.1!*"

If one might judge by the applause with which this overwhelming repudiation of the free coinage absurdity was received, wage workers were well satisfied to have endured the 'oppression' and 'wrong' which they had suffered during those 20 years of the grinding tyranny of a 'British gold' standard! It seemed to them that any-

thing which would reduce the price of all they had to buy 50 per cent, increase the purchasing power of wages 58 per cent, and wages themselves from 162.20 in paper money at 81.10 to 158.90 in gold, was just about the right kind of thing for the wage worker to pin his faith to.

"We don't deny that prices have fallen," interrupted Senator Jones. "We know they have and say that it is because gold has become more valuable and money is scarce. It takes less gold to buy more commodities—that's all."

"If gold has appreciated, the first place in which that appreciation would show itself would be in the interest exacted for its use by those who own it," replied Mr. Atkinson.

"What is the fact? Since 1873 the rate of interest has declined almost one-half to the immense benefit of all borrowers—farmers, manufacturers and traders as well as the many thousands of working people who have built homes for themselves and paid for them little by little by means of mortgage loans and installment payments. Because there is more gold in the world and because the conveniences for its rapid circulation are so highly developed, the competition of the lenders is much more keen and the borrower profits accordingly.

"If gold has appreciated it will certainly purchase more land to-day than it did in 1873. Especially will this be so in view of the fact that the average price of all commodities has fallen 8 per cent. If 8 per cent, the fall in all prices, represents the increase in the value of gold, it necessarily follows that land has fallen at least that much. Has it?

"*The assessed valuation of all the land in the United States by the census of 1870 was $9,914,780,000. By the census of 1890 it had increased to $18,956,556,000.*"

"Our population has increased," objected the Senator.

"True," admitted Mr. Atkinson. "*Our population has increased 61 per cent, but the assessed valuation of our lands has increased 90 per cent!*"

This was a body blow and the great silver advocate felt as if some of the wind had been knocked out of him, while the audience expressed its delight by vigorous hand clapping.

"Labor is a commodity, is it not?" continued Mr. Atkinson; and the silver senator nodded. "It is bought and sold every day," continued the witness.

"It is," admitted the Senator.

"Then why doesn't less gold buy more of it as of any other commodity?" asked Mr. Atkinson; and the gentleman from Nevada wondered what had induced him to trifle with the machinery.

"Now to attack the subject in detail," resumed Mr. Atkinson, when the applause had subsided, "we will take up the subject of food, beginning with meat. I present this table," and with that he hung a small banner, containing a table, over the blackboard:

MEAT.

	1860	1870	1890
	In Gold.	In Paper.	In Gold.
United States....................	100	174.3	99.6
English prices in gold............	100	108.	91.1

"The causes for a reduction in the price of animal food since 1860 are the establishment of great packing houses, inventions in canning provisions, the use of cold storage and the change from sail to steam on the ocean. In production, the rediscovery and use of ensilage and many other improvements in feeding stock.

"In 1869 the meat supply of great cities was limited to the local production; even in 1870 the movement of live or dressed meat by rail was insignificant, and by steamships less. In 1860-70 the beeves of South America and Texas were slaughtered mainly or only for their hides; they possessed no international food value. In 1890 every part of the animal had become an article of international commerce. Had not the purchasing power of the great masses of the people increased with the stability of the gold standard, and with the rise in wages, a great reduction in the price of animal food must have ensued to the detriment of the farmers."

"The speaker paused, and turning to the group of silver advocates asked: "Are not these causes alone sufficient to account for all the reduction? If not, there are others."

The audience tittered at the grave political economist having unconsciously lapsed into what sounded like a slangy expression.

"Silver also fell," said ex-Judge McConnell.

"Yes," assented the witness, "*from 100 to 77.4, while meat fell from 100 to 99.6. Note that, my agricultural friends!*"

The audience clapped and cheered wildly at the discomfiture of the leader of the free silver party in Illinois

"What about wheat?" asked ex-congressman Bland, suavely trying to cover the confusion of his disciple by calling attention to the product whose fall in price, more than that of any other commodity in the list, has been made use of by the free-coinage demagogues to draw the farmers into their ranks.

"Wheat," replied Mr. Atkinson, "is not separately dealt with but is included in the next class, foods other than meat, as the most important commodity, in the list,"

"May I answer that question?" shouted a small man who arose from his chair in the first box to the right of the stage.

"That's Ed. Pardridge, the great bear operator on the Board," whispered Secretary Stone to Chairman Clench.

"What! That little chap?" exclaimed the big blacksmith in surprise, "why I thought he must be a regular giant!"

"He is," replied Mr. Stone, with a chuckle.

"The commission will be pleased to hear anything on the subject of wheat from Mr. Ed. Pardridge," announced the chairman, and people craned their necks and strained their eyes to get a good look at the celebrated "plunger."

"The reason wheat has fallen," said Mr. Pardridge, addressing the commission from his box, "is over-production; or rather, over-supply, for there can't be any over-production of food so long as anybody goes hungry." This sentiment met with the approval of the audience. "A few years ago," continued Mr. Pardridge, "the republic of Argentina exported practically no wheat. In 1894 she exported sixty millions of bushels, and every bushel entered foreign markets in competition with our own wheat. The crops of Australia have increased immensely; Russia is spreading her wheat fields into Siberia, whence the new Siberian railway affords an outlet to the markets of the world. The increased crops of India and the Canadian Northwest Territories are also factors in this over-supply, which is emphasized by a lessened consumption. Other food articles are replacing wheat to a very considerable extent, and every pound of other food introduced into the market lessens the demand for wheat. A correct understanding of these facts would have kept money in the pockets of the gentlemen who have been

trying to 'bull' wheat during the last three years.'' The audience laughed and the circus man, who had squeezed onto the platform, on the plea that he was one of the witnesses, inquired:

''Don't you believe in free silver, Mr. Pardridge?''

''Not while I'm awake,'' replied the speculator; and the audience snickered.

''Coin, in his book, says it was on account of your knowledge of the silver question that you have been so successful,'' persisted ''Hey Rube.''

''Well, you know what Coin is. 'Nuff said,'' replied the little ''bear,'' and he resumed his seat amid a roar of laughter.

''We now come to other food products,'' continued Mr. Atkinson, as he spread another table over the first.

FOODS OTHER THAN MEATS—CHIEFLY GRAIN.

GRAINS, ROOTS, FRUITS, VEGETABLES, SUGAR.	1860	1870	1890
	Gold.	Paper.	Gold.
United States.............	100	146.3	103.5
English prices in gold.....	100	88.8	66.6

''The influences tending to great reductions since 1870 have chiefly affected grain and sugar. Since 1873 the sources from which the greater part of the wheat exported from the United States is produced have been opened by railroads and waterways. Machinery has greatly reduced the cost of production, and almost revolutionary improvements have been made in milling. *The result has been to rcduce the cost of placing wheat on sale in London or Liverpool from Minnesota or Dakota by an amount equal to one-half the price at the average of 1870.*

"In the production and refining of sugar, changes as great have been made. Increased power of consumption has alone kept the prices of other foods than meat, wheat excepted, above the level that improvements warrant. *The great reduction in the price of wheat is due to the unparalleled increase in the world's crop as Mr. Pardridge has pointed out.* If the supply should be lessened the price would advance.

"Cloths and clothing and textile materials, chiefly cotton and wool will be the next subject:

CLOTH, CLOTHING, TEXTILE MATERIALS.

CHIEFLY WOOL AND COTTON NOT CONVERTED.	1860 Gold.	1870 Paper.	1890 Gold.
United States....................	100	139.4	81.1
English prices in gold...........	100	124	76.5

The civil war raised the price of cotton at its highest point to $1.90, in paper, per pound and also produced almost a cotton famine in England. The war demand for woolens carried the demand for wool to an extravagant point. Then came free labor assisted by tools and instruments with which slaves could not be trusted, and vastly increased cotton crops followed. Cotton seed, previously wasted, became worth $30,000,000 a year. Australia, from an insignificant position, became the greatest wool producer in the world. Immense improvements were made in factory machinery; the use of the sewing machine became almost universal in the United States, and very general in England. *In every branch of these industries the labor cost was lessened, while the earnings were augmented.*"

"Will the gentleman be kind enough to explain that paradox?" said ex-Mayor Hopkins, "it's too tough for me."

"From my own investigation and knowledge of this branch of industry," replied Mr. Atkinson, "with which I have been connected as man and boy from 1842 to 1894, I can state that the productive capacity of the average operative in a given mill, working year by year throughout the period named, has increased from 4,321 yards a year in 1830 to 9,607 yards in 1840, and is now over 30,000 yards. Hours of labor have been reduced from 14 in 1842 to 10 at the present time, *and though wages have been increased from 86 in 1845 to 100 in 1860, and 165.1 in 1890; and thus the earnings of labor were augmented in two ways, by the increased efficiency of the operative the cost of labor has been decreased.*"

This telling explanation was so satisfactory to Mr. Hopkins that he maintained an unbroken silence from that time until nearly the close of the session.

"We shall now see what we can find in the line of metals, implements and average minerals," resumed the witness. This table shows the reduction:

METALS, IMPLEMENTS AND AVERAGE MINERALS.

	1860	1870	1890
	Gold.	Paper.	Gold.
Metals and implements — United States	100	127.8	74.9
Average minerals—English prices in gold	100	94.2	87.4

"There is no standard by which the progress of nations can be more surely gauged than by the increasing use of iron, steel and copper. The recorded production of iron

ore in the world in 1860 was less than 7,000,000 tons; in the United States a little over 900,000 tons. In 1892, in the world, approximately, 26,000,000 tons; United States, 9,157,000 tons. Production of Bessemer steel in the United States, 1860, none; 1892, 4,168,000 tons.

"*The dominion of iron and steel has passed to the United States through the inventions of Bessemer, Holley, Siemens, Reese, Thomas, Gilchrist and a host of others, which have made astounding reductions in the labor cost. These, with the opening of new mines in the northwest and south and of the great coking coal mines of Virginia and other states, give adequate reasons for much greater reductions than have taken place.*

"Similar inventions and the opening of new sources of supply of copper and silver need only be referred to in order to comprehend the lessened prices of these metals; while aluminum has been added and the invention of new alloys has enlarged the field of use. Hard times, the sternest schoolmaster, brought prices in 1894 to the lowest point; yet the product is now increasing and promises soon to reach the highest point ever known.

"Tell us something more about wages," shouted a gentleman in the first balcony. "That's what we want to hear."

"Certainly, my friend," replied Mr. Atkinson. "It is natural that you should be quite as anxious about the commodity you sell, labor, as about the goods you buy. I have prepared a table, showing the advance of wages in eleven principal trades, in particular, as well as all industries in general, in 1890, as compared with 1860, together with the difference in the prices of commodities and the purchasing power of wages:

TRADE OR OCCUPATION.	1860.	1890.
Books and newspapers	100	148.4
Building trades	100	172.5
Carriages and wagons	100	202.4
Cotton fabrics	100	165.1
Illuminating gas	100	167.7
Lumber	100	177.9
Metals and metal goods	100	148.6
Railway service	100	148.4
Stone workers	100	165.2
Woolen fabrics	100	167.8
Salaries of city teachers	100	180.3
All industries	100	186.3
Prices of all goods	100	92.3
Purchasing power of all wages	100	172.3

"This table clearly shows the improvement of the circumstances of those engaged in the individual trades mentioned. Computations can not be readily made of sufficient completeness to show the advance in the wages of those occupied in agriculture, commerce and personal service, but the same upward tendency can be traced. All arts and occupations are governed by the same law of competition under which, as capital increases, it also becomes more and more effective, so that while it secures, decade by decade, an increasing aggregate profit, the ratio of profit to the product is diminished. At the same time, those who perform the manual and mechanical work secure to their own use and enjoyment an increasing proportion of a constantly increasing product, while their labor is diminished both in hours and in the intensity of effort.

"Now, sir," concluded the great student of economical science, turning to Senator Jones, "when the index numbers I have quoted were prepared by Mr. Sauerbeck and Prof. Falconer, both of them scientists and neither a politician, it was not imagined by either gentleman that they

would ever be put to the use to which I have put them to-day.

"You have said that you are willing to stand or fall by your statement, that prices of commodities have fallen in a demonstrable ratio with silver.

"What are the facts?

"That silver, as compared with its price in 1860 has fallen 22.6 per cent. Wages have risen 58.9 per cent, while their purchasing power has increased 72.1 per cent. All prices have fallen 7.7 per cent. And this covers the period from 1860 to 1890, seventeen long years of this time having been spent by the producers of the white metal crying in the wilderness and refusing comfort, because their product was not freely stamped by the government with the lie of '*One Dollar; in God We Trust*' on every 371¼ grains of it!

"*In short, while silver has fallen 22.6 per cent all prices have fallen only 7.7 per cent. It is true that gold has appreciated as compared with all commodities, except labor, 7.7 per cent and if you compare it with labor it has not appreciated at all, but is actually cheaper than in 1860 after ten years of the most terrific gold production the world has ever seen.*

"*On the other hand silver has decreased 15 per cent more than all other commodities combined.*

"*Which, then, is the stable metal and the best fitted to be our standard of value?*

"*To what position does this bring us? That the poor debtor for whose dear sake you gentlemen propose to trail the honor of this Nation in the dirt and to plunge us into hopeless insolvency, is at this minute paying his liabilities in gold of less value than if he had paid them in 1860.*

"Therefore, sir, you can not stand on the statement you advanced in your challenge to me. You fall; and

with you falls the entire free coinage theory of the appreciation of gold aud its assumed effect on prices!"

Tumultuous applause and cheering broke out the moment the speaker paused. They did not even give him time to thank either commission or audience for the flatteringly close and intelligent attention with which his address had been received, and the white haired political economist could only bow and smile his thanks while receiving the congratulations of his friends.

The points he had made were, perhaps, the most important yet for the farmer, the wage worker and the man of fixed income; because he had convincingly shown what they already knew by experience—that under the gold standard this country had experienced the most prosperous period of its existence, and that it was only the agitation conducted by the silver party which had brought this splendid prosperity to an end leaving in its place a legacy of panic, distrust and commercial paralysis.

Ex-Mayor Hopkins, who had been turning over the pages of Coin's book, now arose and said:

"Mr. Chairman, it was a shrewd play of the Boston gent to lump things so that nobody could tell what he had in nor what he left out in his prices of things. I could make up a list myself that would knock his silly."

"The first table covered *all* prices, not a few selected articles; and the wages numbers covered *all* wages, not a few or many selected occupations," replied Mr. Atkinson.

"That's all right, all right, to hear you tell it," persisted "Hop," as the "gang" familiarly call him since he is no longer "the whole thing" at the City Hall. "Why don't you come down to facts like this man, Coin, see?" he continued, and this query was the signal for a shout of laughter at which his ex-honor grew angry. "Youse gold

bugs can laugh," he declared, "but here's this fact—the poor old farmer is getting the worst of it right along. He's getting plumb discouraged, and I don't blame him, see? Now take this here poor old jay in Coin's book. Some of youse gazabos might be the very feller that tells him that a bushel of wheat will buy as much as ever it did, so he goes out and tries it and makes a monkey of himself, see? He starts for the depot and has to blow in a nickel for a street car ride, same as '73; he goes up against George Pullman's sleeping car cinch and finds himself taxed the same as '73; he puts up at a first class hotel and the tariff is the same as '73; he puts a message on the wire to the old lady and it costs the same as '73. Then he gets his whiskers pushed off and the barber assesses him the same as '73, and off he starts to buy tea and coffee, but the price is still the same as '73. He only got 50 cents for his wheat instead of a dollar as in '73, so he goes home to borrow money at his bank to square himself and finds interest about as high as in '73. I tell you, Bo, if he meets the mug that gave him that song and dance about what his wheat would buy there'll be a scrap in a holy minute."

This eloquent and elegant address was received with much applause and laughter and "hizzoner the ex." sat down with the sincere conviction that he had settled the entire question, off hand.

At this point Commissioner Rafferty whispered to the chairman and the latter then said:

"If Senator P. V. Fitzpatrick is present we would like to hear from him."

A little man with a high forehead and gray hair arose in the parquet and, after ascending to the stage, spoke, in a conversational tone as follows:

"Mr. Chairman; I think the story told by the young gentleman from Kensington is full of errors. He and his new political bedfellows have been trying to prove, all along, that prices have fallen so low through what they call 'the crime of '73' that we need an unlimited coinage of 50 per cent discount silver dollars to make them rise up like Willie Riley."

"That's what!" interjected the ex-mayor.

"Then why have you changed the tune so suddenly in trying to show that the farmer pays just the same as in '73?" demanded the astute little statesman with provoking calmness, and the audience indulged in an equally provoking snicker. "Jawn" P. saw the point and felt it, too, so after waiting a few seconds for the answer that never came Senator Fitzpatrick continued: "If an abundant volume of currency will raise values why have prices fallen instead of advancing since 1873 in spite of the fact that we have double the currency per capita now that we had then? Besides that, our circulation now is at par instead of at a heavy discount."

Again the audience applauded the very pertinent question which Mr. Hopkins showed no inclination to answer. Perceiving that he was pursuing a popular line of inquiry the senator, Hibernian fashion, continued to answer the ex-mayor by still asking unanswerable questions.

"If prices have fallen because of a scarcity of gold," he continued, "how do you account for there being almost as much gold coin in this country now as there was of every kind of money in 1873? How comes it that there is more gold coin in the whole world than ever before and an increase since 1873 of over a thousand millions? Why is the rent of money—interest—nearly 50 per cent lower than in 1873? With twenty-three times as much gold, as

much paper money and 337 millions of 16 to 1 silver dollars, where we hadn't a single dollar in 1873, why have the prices of wheat, silver and cotton declined more than 50 per cent?

"Now about the farmer, the honest yeoman, who is the real backbone of this Nation, we all want to see him prospering because unless he is doing well the whole country is hard up. The amount of produce he raises in excess of what can be consumed in this country must be sold abroad in competition with the surplus products of the world and the law of supply and demand fixes the price of his wheat, cotton and other crops. If wheat sells at 50 cents in Liverpool, under free coinage he will get a 50-cent dollar for it here, less the cost of freight, etc. He might flatter himself that he was back to 'dollar wheat' on that account; but as he buys as much as he sells he would be quickly convinced that the rise in prices didn't act quite as he expected. Everything else would rise proportionally and his silver dollar would purchase just what 50 cents in gold does now. To call 50 cents worth of silver a dollar doesn't make it the purchasing equivalent of a dollar worth 100 cents in gold any more than to call a spool of thread a pound of butter would make the thread a valuable adjunct to the supper table."

There was another laugh at this droll illustration and Senator Fitzpatrick continued: "To satisfy myself how deeply I have been wronged by this horrible crime of '73 I have been searching the Statistical Abstract for 1894. In it I find a few things that would surprise that poor old farmer Mr. Hopkins was telling us about. For instance, in 1873 the average cost of sending a telegram was 62½ cents on which the companies, not then monopolies, made a profit of 19$\frac{1}{10}$ cents. In 1894 the average toll was 30½

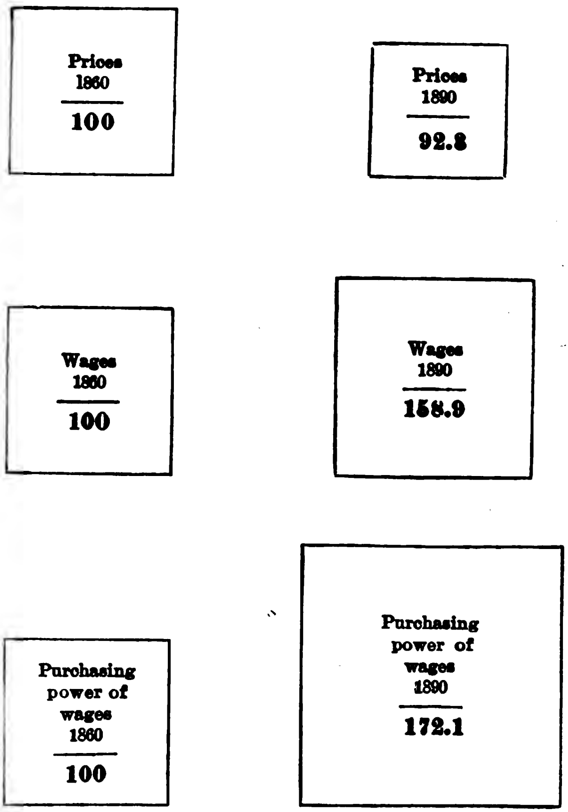
cents and the 'monopoly' earned a profit of $9\frac{9}{10}$ cents. In '73 you could only telegraph to 5,740 places. In '94 there were 21,166 offices and the miles of wire had increased from 154,472 to 790,792.

"Now about the taxes that poor old farmer found 'the same as '73.' In '73 each of us contributed to the government $2.35 to pay interest. In '94 we paid 37 cents. In '73 the national government collected from us for all purposes $8.01; in '94 only $4.36. In '80 we paid an assessment of $1.98 on every $100. In '90 it was $1.83. For state, county and municipal debt we each paid interest on $22.40 in '73, in '90 it was $18.13; and in the decade our public improvements amounted to hundreds of millions of dollars. In '73 each individual owed $50.52 on the National debt. In '94 only $13.17. It strikes me that the farmer who told that story about his taxes to Mr. Coin was like the boy in the conundrum—he lied."

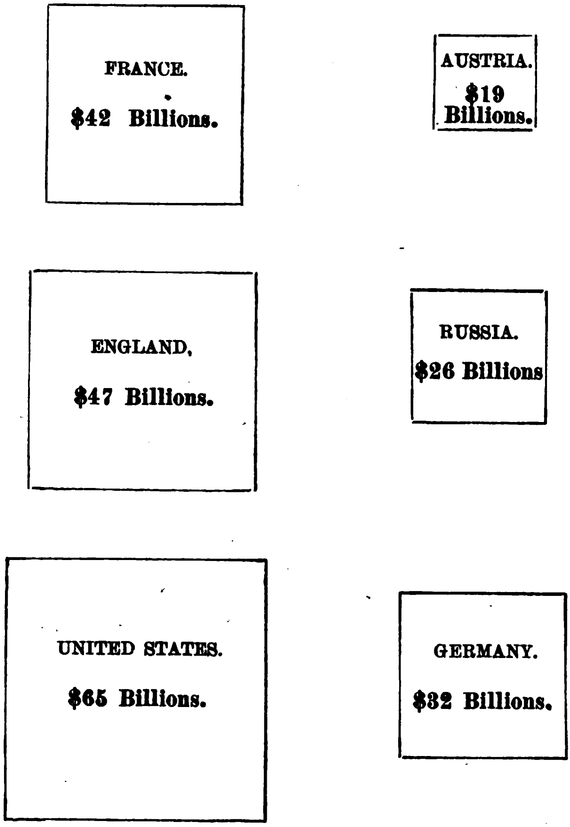
This slap was greeted with another roar of laughter, mingled with applause, and a big, husky fellow in the first balcony said, admiringly: "That's Fitzpathrick, the bukeseller and, begorra, he ripresints me in the Shtate Sinit, so he do," whereat those in the honest fellow's immediate neighborhood indulged in another little smile all their own.

"In 1870," continued Mr. Fitzpatrick, "we operated 52,922 miles of railroad and in '93 177,753 miles, or as much as the mileage of all the rest of the world combined. And here are two points for the farmer, for they affect in his favor the price of the things he sells—in 1874 it cost $1\frac{8}{100}$ cents to transport 1 ton of freight 1 mile by rail. *In 1893 it cost* $\frac{8}{10}$ *of a cent!* In 1873 toll had to be paid on every bushel of grain passing through the Erie Canal. To-day the toll is abolished.

WAGES AND PRICES.



WEALTH OF NATIONS,



"In 1873 we paid 237,513 teachers in our public schools $76,238,464. In 1893 we paid 383,010 teachers $162,794,148, and our 'infant' industries continue to thrive under a gold standard.

"In 1873 we issued 134,504 patents and received as fees $703,191. In 1894 we issued 511,744 patents and received as fees $1,187,439."

"They ought to have been issued free!" shouted a long-haired man in the top gallery.

"He's a socialist—put him out," suggested "Jawn" P.

"No, I'm not," retorted the man. "I'm an inventor and I'm at work on a new kind of wheels for free coinage men's heads that will set them thinking about something cheaper than silver for money." This was received with a roar of laughter, in which even "Jawn" P. joined heartily.

"In '73 we had 33,244 post offices," continued the Senator, "and in '94 we had 69,805."

"I wouldn't do a thing to that patronage if I had it," muttered the ex-mayor.

"Our post routes covered 256,210 miles," resumed the witness, "and in '94 they covered 454,746 miles. In '73 we only contributed 70 cents apiece toward the support of the men who lost their health while fighting the battles of the Union, or the widows of those men. In '94 we contributed $2.07 each and could well afford it. I was a Union soldier myself and, I tell you, it makes me vexed to think of anybody proposing to reduce by one-half the value of the 140 millions of pension money upon which 11 millions of people in a great measure depend." By the way the audience applauded this sentiment it might well be believed that this was also their view.

"But the greatest outrage of all the infamies wrought by the crime of '73," continued the Senator, "is that,

according to the census returns, the true value of all the property in the United States in 1870 was $30,068,518,000, while in 1890 it had increased to $65,037,091,000. Our population had increased 60 per cent and our property over 100 per cent. *Nothing to compare with this shameful increase of material wealth in twenty years was ever known before in all the history of the world, and it was accomplished under a gold standard which, to be consistent with Coin's theory, should only have produced tramps, suicides, paupers, starving workmen, weeping women and famished children!*"

After the cheering which followed this complete refutation of the "calamity howl" had subsided, the statesman continued: "I am a loyal American and a true Irishman. No man will consult his own interests by telling me to my face that I am a friend of England. This is one of the main reasons why I am opposed to free silver, for Coin tells us that *the gold standard will give England the commerce and the wealth of the world.* In the same breath he says that the silver standard will make the United States the most prosperous Nation on earth. Both of these statements can not be true, as anybody except an omadhaun can see. We know what the gold standard has already done for England and for this country. *If there was anything to be gained by adopting silver, England would have grabbed it long ago. But she is too crafty a trading nation for that; and with the gold standard she will certainly seize the commerce and wealth of the world if her most dangerous rival and future commercial superior, the United States, can be induced to play directly into her hands by returning to free coinage and a silver basis, and thus reducing her civilization and degrading her labor along with her money to the level of India and China!*"

If the cheering, which began when the Senator bowed and resumed his seat, did not show that not only had he been a brilliant and convincing witness, but also that he was the most popular man in his senatorial district, it showed nothing. As Senator Fitzpatrick shook hands with Commissioner Rafferty and received his congratulations a tall, stoop-shouldered man, with grizzled hair and beard, arose in the front row of the balcony and said, "Mr. Clench, may I say a few words?"

"Certainly," replied the chairman.

"Platform, platform!" cried many voices in the audience and the man seemed bewildered.

"The gentleman is requested to come to the stage," added the chairman.

In a few minutes the tall man, who walked with a slight limp, was seen approaching the commission on the stage and, after a few whispered words with him, Chairman Clench turned to the audience.

"Fellow citizens," said he, "permit me to introduce to you Joshua Williams, farmer, of Lake County, Illinois."

There was a slight ripple of good-natured applause, and Williams seemed appalled at the sea of faces. However, he hesitated only a moment and then without any useless preliminaries spoke in homely, homespun fashion, as follows:

"I have been interested in these here meetings, and I have come to every one of them. I think they are doin' a grand work in educatin' the people! You young men do not appreciate the blessin's you have under the old Flag."

"Yes, we appreciate the blessing of hard times," cried a free-silverite in the balcony.

"Hard times?" repeated the old man, "why, sonny, you don't know what hard times be! Back in the fifties,

before Abe Lincoln was elected, we had hard times as *was* hard. Many's the hard day's work I did for fifty cents, and glad to get it, too. And you young fellers don't know anything about wild-cat and red-dog money, or you wouldn't be makin' so much fuss against good gold coin.

"But, Mister Clench, though we didn't have a very prosperous country, we all loved it, sir, and when good old Abe called us I shouldered a musket and fit four long years for the preservation of the Union." Here the applause began. "That's why I walk with a limp," he continued, "and I don't draw any pension, either." This statement literally brought down the house.

"And I hear you talk about panics as if there were never any panics before," he went on. "Why, don't you know that all countries in all ages, whether they have gold money or silver, have panics and hard times about every generation? It's the way things be. Sir, progress and prosperity comes in waves. Just now we are gettin' ready for another rush forward. [Applause].

"But, Mister Clench, I came here to tell you some of my own experiences with prices. I have heard this young fellow, Mr. Hopkins, talk about the poor farmer. He says, says he, that the farmer only gets fifty cents for his wheat now and he got one dollar in 1873. That's so."

"You bet it's so!" interjected "Hop."

"He says that the farmer pays as much for ridin' in Pullman sleepers as he paid in 1873. P'raps so. I don't ride in 'em, and I don't know any other farmer 'at does. Most of their ridin' is on the plow or reaper.

"This Mr. Hopkins says, says he, that the farmer pays as much for tea and coffee as in 1873. No he don't!

Not by a good deal, and he knows it! He's a grocery-man himself, they tell me."

Williams brought his fist down so hard on the table that John Patrick shrank back.

"Now, I want to tell all you men that wheat isn't the only thing a farmer raises," he continued. "At least it's a mighty poor farmer as raises only wheat. A dry goods man might as well sell only calico! Down in my county we raise wheat and corn and oats, and hogs and cattle and chickens, and lots of other things. And let me say right here that as much money is paid for poultry and eggs every year as is paid for wheat. That's a fact, though it seems queer, don't it?

"Now in April, 1873, I wanted lots of things for my family and I marketed a big pile of grain and live stock. Here is the list." He pulled from his pocket a slip of paper, from which he read very slowly and deliberately the following list which Commissioner Hobbs rapidly transferred to the blackboard:

50 bushels wheat	@ $1.17,	$ 58.50.
160 " corn	@ .31,	49.60.
65 " oats	@ .24½,	15.93.
4 hogs (1,000 lbs.) . .	@ .05¼,	52.00.
3 cattle (3,750 lbs.) . .	@ .05½,	206.25.
30 bushels potatoes . . .	@ .60,	18.00.
		$400.28.

"Now, Mr. Clench, this all makes $400.28," he continued. "I took the money and bought things for my family. Maria wanted a silk dress, Sally wanted a calico dress and an organ—Sally's my daughter. She's married now to Bill Smith's oldest boy. Maria, she said she wanted me to buy some muslin and drillin', and ingrain

carpet and furniture for the spare bedroom, and a Bible, and some milk-pans and a suit of clothes for Johnny—Johnny's a lawyer now, over to Galesburg—and another for me, and a porcelain-lined kettle. And I wanted a reaper and some nails, and tea, coffee, and sugar. Here's what I paid for them." As he read off the list Commissioner Hobbs put it, also, on the blackboard.

*10 yards black gros grain silk...@ $1.00,	$10.00
10 yards calico..................@ .11½,	1.15
40 yards unbleached muslin.....@ .15⅝,	6.25
10 yards drilling.................@ .15,	1.50
25 yards ingrain carpet..........@ $1.35,	33.75
1 set of bed room furniture.............	50.00
1 suit clothes..........................	25.00
1 suit clothes..........................	15.00
1 dozen milk pans......................	2.50
1 4-quart porcelain-lined kettle..........	.60
1 reaper..............................	170.00
1 organ...............................	60.00
1 family Bible.........................	9.00
21 postage stamps................@ .03,	.63
50 lbs. nails...........................	2.25
10 lbs. coffee ....@ .24,	2.40
5 lbs. tea ....@ .80,	4.00
50 lbs. sugar....................@.12½,	6.25
Total........................	$400.28

"You see that just took all my money. Now when I heard that Mr. Coin had writ somewhere that the farmer is havin' a hard time, gettin' only half as much as in '73 for his prodoos and payin' just as much, I thought I would see just how much the grain and live stock I sold

* Actual wholesale prices in Chicago.

in '73 would bring this very week, and how much could be bought with the money. So this mornin' I looked up the prices. Here's what my prodoos would bring now:

50 bushels wheat	@ .63,	$31.50
160 bushels corn	@ .48,	76.80
65 bushels oats	@ 28½,	18.53
4 hogs (1,000 lbs.)	@ .05,	50.00
3 cattle (3,750 lbs.)	@ .05½,	206.25
30 bushels potatoes	@ .68,	20.40
Total		$403.48

"Where did you get those prices?" demanded the ex-Mayor.

"Got them out of the Chicago papers' market reports," replied the old fellow and his ex-honor sank back with an air of vexation.

Commissioner Rafferty here whispered to a boy sitting near him and gave him a small coin. The boy vanished.

"Now, you see, Mister Clench, that I got more this year than in '73. The poor farmer isn't so very bad off, is he?" The query was greeted with applause and laughter and "Hop." again interrupted.

"Why do you take such uneven quantities of grain?" he asked. "Why don't you take more wheat, the most important grain, than the other two?"

"Because, sir, those were the quantities I raised. Besides, the crops of these three grains have about the same proportions in the whole country. I don't know the exact figgers. Maybe Mister Stone can tell us."

Chairman Clench here asked Secretary Stone whether he could give the average crops of wheat, corn and oats in the United States during the last five years.

"I can," replied Mr. Stone, "in one minute." He

rapidly made a few figures on the open pages of the book he held and then said:

"The department of agriculture gives the average crops during the last five years as follows:

"Wheat, 476 million bushels.

"Oats, 644 million bushels.

"Corn, 1602 million bushels.

"In comparing prices on a basis of 160 bushels of corn, 50 of wheat and 65 of oats, the gentleman certainly gave wheat all the prominence it deserved."

"Thank ye, sir," said Farmer Williams. "Then I went around to the stores to see what I could buy the same articles for that I bought in 1873," he resumed. "I have here a list of the present prices:

10 yards black gros grain silk	@ .50,	$ 5.00
10 " calico	@ .04½,	.45
40 " unbleached muslin	@ .05½,	2.20
10 " drilling	@ .05½,	.55
25 " ingrain carpet	@ .42½,	10.62
1 set bed-room furniture		25.00
1 suit of clothes		15.00
1 " " "		10.00
1 doz. milk pans		.60
1 4-qt. porcelain-lined kettle		.18
1 organ		30.00
1 reaper		70.00
1 family Bible		5.00
21 postage stamps	@ .02,	.42
50 lbs. nails		.73
10 " coffee	@ .18,	1.80
5 " tea	@ .40,	2.00
50 " sugar	@ .05,	2.50
Wholesale prices in Chicago.		$182.05

"You see, I could have bought the same articles and taken home with me $121.43 to put in the bank or pay off a mortgage, if I had one—but I haven't!"

The applause which followed this striking confirmation of Mr. Atkinson's bulk figures was loud and prolonged, after which Mr. Hobbs inquired whether eggs and milk differed in price.

"About the same as in '73," said Farmer Williams. "We've got some pretty smart men nowadays—there's Edison, for instance—but no one has ever invented a machine which will give milk or lay eggs!" Laughter and continued applause greeted this humorous sally.

"It's machinery as has put down the price of goods, not gold," concluded Farmer Williams, who had "caught" the audience. His testimony, giving the actual facts which had come under his own observation, was far more convincing than yards of statistics or days of argument. During the last few minutes Commissioner Rafferty had been looking over several newspapers, which the boy had brought him. He finally whispered to Chairman Clench and the latter then announced that Commissioner Rafferty would make a brief statement, after which the meeting would stand adjourned.

Rafferty arose and said, "I wish to say that I have examined the newspapers and find that the prices given by Mr. Williams are the actual prices quoted in yesterday's market.* I propose, gentlemen, that we give three cheers for Farmer Williams, a true patriot, an honest man,

*These prices were taken from the Inter Ocean of April 29, 1895. Since that time the heavy advances in wheat and other cereals not only strengthen the argument here made,—that the farmer is vastly better off under a gold standard, but also corroborate the position that shortness of supply or increase of demand alone raise the prices of commodities which are forced to compete in the markets of the world. The price of silver has not risen, and has nothing to do with the price of wheat.

and a representative of the real back-bone of our beloved country."

The audience arose in a body, and never were cheers given more lustily or with greater spirit.

A half dozen of brawny fellows rushed on the stage, put Farmer Williams on their shoulders, and marched with him triumphantly up the aisle and then out into the street, amid the repeated cheers of the people.

The simple minded old man, whose honesty shone out of his keen grey eyes, had put the finishing touch to the elaborate arguments of learned men, and carried conviction to every mind which doubted or mistrusted that the figures quoted might have been false or erroneous.

Farmer Williams was the hero of the hour.

CHARTER VI.

BRINGING IN THE VERDICT.

For a full week after the exciting events which occurred at the great Auditorium meeting Labor's Commission on Coinage devoted itself exclusively to a thorough discussion of the stenographic report of its own proceedings.

Every argument advanced by the witnesses on either side was carefully considered and voted on. To further aid the three commissioners in the formulation of their report they had procured, in addition to the books and papers already offered in evidence, copies of the *Congressional Globe*, various public documents, Mulhall's "Dictionary of Statistics," "Coin's Financial School," and other works which would aid them in verifying the statistics quoted and justly estimating the worth of the statements made orally before them.

At length the meeting night of the Federated Trades Unions came around and the little hall in the Industrial World building was again jammed almost to suffocation. When the eagerly expected order of business was arrived at, 'Reports of committees, if any,' Chairman Clench arose and said that the Commission on Coinage was ready. He further stated that Mr. Rafferty had been elected secretary and asked that the usual course be waived and that the secretary of the Commission be allowed to read the report. The request was unanimously approved and thereupon Commissioner Rafferty mounted the platform and read as follows:

"The Commission to inquire into the feasibility of this Nation freely coining silver at a ratio of 16 to 1 and the effects of such a course on wages and prices appointed by your honorable body April 22, 1895, reports as follows:

"The inquiry partook of the nature of a running debate in which Harvey Coin, Senator Jones, of Nevada, and ex-Mayor Hopkins, of Chicago, sustained the free silver side and Clinton B. Evans, Adlai T. Ewing, President Baker and Secretary Stone, of the Board of Trade, Edward Atkinson, of Boston, Colonel Forrest, of the *Daily News*, Richard W. Knott, of the Louisville *Evening Post*, Edward Pardridge, Professor Laughlin, Robert L. McCabe, Sigmund Zeisler, Jacob W. Richards, State Senator Fitzpatrick, Reuben Haye and Joshua Williams opposed the proposition.

"The first matter of importance in the evidence we noted was that every principal argument advanced by the advocates of free coinage was based on statistics—the same statistics as are to be found quoted in 'Coin's Financial School.' These figures, credited by Mr. Coin to 'Mulhall's Dictionary of Statistics,' the 'Statistical Abstract of the United States' and the 'Treasury Report' for 1894 *were proven to be falsified and forged in every instance.*

"We respectfully refer you to the evidence of Messrs. Evans, Baker, Stone and Knott and to the authorities themselves.

"This fact disposes of all the theories of free silver coinage so far as they are based upon alleged statistics but we have thought it proper to take up the allegations of Mr. Coin one by one and state our conclusions based on the result of our investigation.

"It is alleged that silver is the money of the constitu-

tion and that 371¼ grains of it was constituted the unit of value. From the irrefutable evidence of Mr. Ewing, supported by the earliest records of Congress, we find that *one dollar*, in the abstract, was constituted our unit of value; that the metal in which it was first expressed was copper; that gold, silver, copper and paper are equally the money of the constitution, and that any other money material may be added by Congress at any time.

"It is alleged that we are in the clutches of the 'British Octopus' and that England draws annually from us 200 millions in gold. From the evidence of Messrs. Evans, Fitzpatrick, Knott, McCabe and others *we find that this statement is absolutely without foundation in fact. 89 millions in gold was the largest net export from this country in any year, while the net exports of gold to England during twenty years averaged less than $6,000,000 annually.*

"It is alleged that the fall in prices has been caused by an appreciation in the value of gold under the gold standard. From the evidence of Messrs. Atkinson, Evans, Fitzpatrick, Pardridge, Knott, Forrest, Williams, Haye and McCabe *we are convinced that improved machinery, better methods of transportation, greater competition, increased supply and greater general economy have caused the reduction, which has been entirely to the benefit of the farmer, wage earner and man of fixed salary or income.*

"It is alleged that the gold standard has caused hard times, destitution and loss of employment to workingmen, decreased values to farmers; and created tramps, suicides, and millionaires. From the evidence presented by the above named gentlemen and our own experience we find that *the hours of labor have been shortened, the wages of labor have been largely increased and, owing to the fall in*

prices of manufactured articles, the purchasing power of wages has almost doubled.

It is alleged that the value of gold has appreciated. The evidence of Messrs. Atkinson, Evans, Forrest, Williams, Fitzpatrick, Knott and others, convinces us that *as gold measures the value of commodities, wages and lands so wages, lands and commodities measure the value of gold. Commodities have fallen 8 per cent, wages have increased 58 per cent and lands have increased 90 per cent in value, while our population has increased 61 per cent.*

"It is alleged that under the gold standard we have entered upon a season of national decay, which will shortly deliver our commerce into the hands of England. We find from the evidence presented by Messrs. Fitzpatrick, Evans, Knott and others, that in twenty years our population increased 60 per cent, and our material wealth over 100 per cent. Furthermore, that England is our most profitable customer, buying from us as much as all the rest of the world put together and selling us only one-fifth as much as we buy from the rest of the world.

"It is alleged that we have not sufficient volume of currency and that only the free coinage of silver will supply us with enough. From the evidence of Messrs. Forrest, Fitzpatrick, Evans and Knott, we are convinced that we have *more than sufficient money to conduct our business, more than any of the other great nations, excepting France, which country is by no means the most prosperous. We could not use more money even if we had it.*

"It is alleged that there is not sufficient gold in the world for money purposes. From the evidence of Messrs. Evans, Knott, Forrest, Fitzpatrick and McCabe, we are convinced that there is no scarcity of gold, and that the

annual production of the metal is fully adequate to the world's needs.

"It is alleged that there is no over-production of silver. From the overwhelming evidence of all the witnesses, even from the arguments of Mr. Coin himself, *this is manifestly untrue. The decline in the value of silver, and its consequent loss of prestige as a money metal, has not been caused by its demonetization, but its demonetization has been caused by its over-supply and the increased production of gold which, because it contains more value in less bulk, is preferred for coin by all civilized nations.*

"It is alleged that through the so-called demonetization of silver by this and other countries, 1871–1874, the price of silver has fallen, and that remonetization would restore its value. Mulhall's statistics show that in 1873 the world's silver coinage amounted to 2,500 million dollars. By 1890 it had increased to 3,100 millions, and the Director of the Mint shows by exact figures that 1891–1893, inclusive, added $429,201,000 to this stock. *Therefore, since demonetization in 1873, the world has coined far more than 1,000 millions in silver, or 25 per cent more in the 20 years following demonetization than in the 32 years preceding that act.*

"It is alleged that it would be right and proper to allow all debtors to scale their debts 50 per cent, because the price of silver has fallen to that extent. This course is further justified by the statement that the debts of this Nation are owed to English capitalists and American millionaires. From the unanswerable testimony of Sigmund Zeisler, Col. Knott, Col. Forrest, Clinton B. Evans and others, we are convinced that this is not even approximately true. *A vast proportion of the mortgage and other debts are owed to our own people in humble or moderate cir-*

cumstances. We are the richest nation on earth and our own chief creditor.

We believe that the success of the free coinage party at the polls would be the starting point of the most terrible financial panic ever known; that creditors would immediately demand their money in gold, to prevent loss by impending legislation; that bank doors would be stormed by depositors demanding gold; that trade and industry would be paralyzed, labor thrown out of employment and prices rushed up, simultaneously, 100 per cent. It would mean commercial chaos and such national want and suffering as our people have never yet endured.

"Since the demonetization of silver, so-called, we have had the greatest prosperity we, as a Nation, have ever enjoyed. Our progress in education, wealth and civilization have been unprecedented. The condition of the toiling masses has been vastly improved and that improvement continued up to the very moment that fear of a silver basis frightened capital, home and foreign, out of the channels of our prosperity.

"For these and further reasons, which can only be fully appreciated by a perusal of the evidence submitted before this commission, we are unanimously convinced, and desire to speak with all the emphasis of which we are capable, that for this country to attempt single-handed the free and unlimited coinage of silver at a ratio of 16 to 1, while we are only able to circulate 100 millions of silver dollars out of the 500 millions we have in stock; while we have uncoined silver bullion lying in the treasury sufficient to coin 200 millions more; while silver is being produced at the rate of 200 millions annually, which production could easily be increased to 400 millions within two years; and *while there is in the world a stock of uncoined*

silver bullion sufficient to mint over 3,000 millions of 16 to 1 dollars, would be an act of national folly unprecedented in the history of the world!

"What of the countries which have clung to the silver basis? What of the South American republics, Mexico, India and China? What is the condition of their labor to-day? What of their farmers? How does the condition of the masses of their people compare with the condition of the masses of ours? Is their labor on a social level with the labor of the United States?

"*Do we know aught of the cheap labor of India, China and other Asiatic nations except to insist upon such legislation as will prevent it entering this country to compete with the toiling sovereigns of the American people?*

"*It is to this degredation that we are invited by the advocates of free silver. Labor content to exist upon a wage of twelve to twenty cents a day as in Mexico, or eight to twelve cents a day as in India and China! Farmers happy if, by toiling in the fields with wives and children from sunrise to sunset, they can insure to their families sufficient of the cheapest grade of cotton cloth to cover their nakedness and a diet of rice, roots and rats!*

"All of which is respectfully submitted:

MARTIN CLENCH, Chairman.
JAMES HOBBS.
MICHÆL RAFFERTY, Secretary.

Such a storm of cheering as was never before heard within those walls broke forth upon the conclusion of the report, and continued for several minutes. The report was then adopted without a dissenting voice and together with the full proceedings of the commission was ordered printed for the information of the working men, farmers and business men of the country.

PROGRESS UNDER TWO MONETARY STANDARDS.

INDEX.

HISTORY OF GOLD AND SILVER.

In remote antiquity the value of silver seems everywhere to have been equal to that of gold. In some countries, as for instance, Ancient Germany and Ancient Arabia, silver was more valuable than gold. As late as the 17th century of our era gold and silver were valued equally in Japan. In the Orient, generally, the ratio between the two metals was less than in Europe, even down to the middle of the 19th century, and the result was the absorption of immense quantities of silver in the East.

1594 B. C. Cadmus mined gold in Thrace.

1400 B. C. Gold and silver used as money in Egypt, India and Arabia.

1100 B. C. The Phœnicians worked the gold placers of the Guadalquiver in Spain.

480 to 206 B. C. Silver mines of Spain were worked by the Carthaginians.

450 B. C. Herodotus states the ratio to be 13 to 1 in Greece.

330 B. C. Alexander the great won by the conquest of Asia over $300,000,000 of gold and silver.

60 B. C. Ratio in Rome 9 to 1.

14 A. D. Amount of precious metals in the civilized world estimated at $1,800,000,000. The drain to the East began at this period.

650 A. D. In Arabia, ratio 6½; in France, 10.

800 A. D. Total supply of precious metals about $165,000,000. At this time the Moors reopened the mines in Spain. Mines discovered in Saxony, Harz Mountains and in Austria. Supply of precious metals remained about stationery until the discovery of America.

1257. Gold coins first introduced in England.

1442. Goncales Baldeza returned from a voyage to West Africa, and brought with him the first gold from the western coast of that continent.

1471. The silver mines at Schneeberg, Saxony, were first worked; up to 1500 the yield is estimated to have been more than 160 tons of silver, but after that year the output decreased rapidly.

1492. Discovery of America by Columbus, whose chief object of search was gold, which he found in considerable quantity among the natives of the islands he reached.

1497. In Spain the ratio was 10¾ to 1.

1516. The silver mines at Joachimstahl, Bohemia, were in flourishing condition at the beginning of the sixteenth century. In 1516 some 8,000 miners were employed there.

1521. Conquest of Mexico by Fernando Cortés.

1522. The first silver sent to Europe from the mines of Mexico was obtained from Tasco, discovered by the Spaniards this year. These mines, together with those of Pachuca, are considered the oldest in Mexico, some of them having been long worked by the Aztecs at the time of the arrival of the Spaniards.

1527. There are no documents to show when silver-mining was first begun at Przibram, Bohemia, but, according to the municipal records, a concession to reopen the mines was granted in 1527.

1532. Conquest of Peru by Francisco Pizarro.

1537. Gold-mining was begun by the Spaniards in New Granada (Republic of Columbia).

1540. Work was begun by the Spaniards in the silver mines of Zacatecas, Mexico.

1545. Discovery of the famous silver mines of Potosi, Bolivia.

1548. First discovery of silver at Guanajuato, Mexico.

1555. The silver mines at Sombrerete, Zacatecas, Mexico, began to produce.

1557. Invention of the patio process of silver amalgamation by Bartolome de Medina, of Pachua, Mexico.

1571. The Huancevalica quicksilver mines in Peru first began to produce in noteworthy quantity. This was an important event, as an abundant supply of mercury for the amalgamation of Potosi ore was thereby obtained.

1574. The patio process was introduced in Peru.

1575. Discovery of the silver mines of Oruro, Bolivia.
1577. The placers of Brazil were first discovered this year, but they were not actively worked until 1674, and their product did not begin to be important until 1695.
1590. Invention of the system of copper-pan or "cazo" amalgamation by Alonzo Barba, Potosi, Bolivia.
1609. Holland maintained from 1609 to 1816 a silver monetary standard, giving gold a nominal valuation at a ratio 14.7 to 1.
1623. Discovery of silver at Kongsberg, Norway; the works at that place were established the same year.
1630. Discovery of the famous silver mines of Cerro de Pasco, Peru.
1632. Discovery of the silver mines of Batopilas, Chihuahua, Mexico.
1633. Invention of the aludel furnace for the reduction of quicksilver, by L. S. Barba, a Peruvian; this was the first efficient furnace devised for this purpose.
1666. Discovery of the silver mines of Cusihuiriachic, Chihuahua, Mexico.
1688. Silver was the legal measure of value in Hamburg, a city of extensive commerce, from 1688 until recent times, but gold was also coined at a ratio of 14⅞ to 1.
1695. The rich placers of Minas Geraes, Brazil, began to produce largely.
1702. Establishment of the school of mines at Freiberg, Saxony.
1704. Discovery of the silver mines at Santa Eulalia, Chihuahua, Mexico.
Discovery of silver at Nertschinsk, Siberia, and the first regular mining of precious metals in that country was begun.
1710. The metallurgical works at Freiberg, Saxony, was begun.
1717. From 1717 to 1816, the legal ratio between gold and silver in England was 15½ to 1.
1737. Discovery of gold near Voitsk, Government of Archangel, Russia.
1745. Important discovery of gold-bearing quartz on the Beriozofsk River, near Ekaterinburg, in the Ural,

Russia. Gold-mining was also commenced on Snake Mountain, in the Altai Range, Siberia.

1762. Discovery of the great silver bonanza of Real del Monte, Mexico.

1771. Discovery of the rich silver mines of Hualgayo, Peru.

1774. The first placers in the Ural were discovered this year, quartz lodes having been opened nearly thirty years previous.

1778. The silver mines of Catorce, Mexico, were opened and proved to be rich.

1783. Zambrano discovered the famous silver mines of Guarisamey, Durango, Mexico.

1786. Prior to the Constitutión of 1789, the Congress of the American States had, in 1786, established a double monetary standard with a ratio of 15¼ to 1, the dollar having been established as the monetary unit in 1785.

1790. Barrel amalgamation was introduced at the metallurgical works at Freiberg, Saxony.

1792. The famous bonanza at Sombrerete, Zacatecas, Mexico, was discovered this year, the mines at that place having been worked for more than two centuries.

The legal ratio between gold and silver in the United States was made 15 to 1, by the act of Congress creating a mint.

1793. Mules and horses were used in Mexico, for the first time, for mixing the pulp, mercury, and chemicals in the patio process, saving 75 per cent in the cost of this branch of working; prior to this time, the operation had been performed entirely by human labor.

1798. Discovery of the great bonanza (silver) at Ramos, Mexico.

1803. France adopted the double monetary standard at a ratio of 15½ to 1; previous to the Revolution, the ratio between gold and silver in that country had been 15 to 1.

1805. The gold mines of the Ancosta district, Bolivia, commenced to yield.

1810. Discovery of silver at El Refugio, Chihuahua Mexico.

1816. Discovery of the Melkowa placers, Siberia.
England adopted the gold standard by act of Parliament of this year.
Silver was the sole standard in Holland until this year, when the double standard was adopted at a ratio of 15.873 to 1.
1821. Resumption of specie payments in gold by the Bank of England.
1824. Discovery of silver at Palmarejo, Chihuahua, Mexico.
The silver mines of Fresnillo, Zacatecas, Mexico, were opened.
1829. Discovery of gold mines in Georgia; first mining excitement in the United States.
1830. Discovery of the placers of the Altai Mountains, Siberia.
Discovery of the silver mines of Guadalcanal, Spain.
1832. The silver mines of Chanarcillo, near Copiapo, Chile, were opened.
1834. The legal ratio betwen gold and silver in the United States was made 16 to 1.
1837. The St. John del Rey Mining Company, operating the Morro Velho gold mine in Brazil, commenced to produce largely.
1839. Count Strzelecki is said to have found gold in New South Wales in 1839, but in deference to the wishes of the Governor, Sir G. Phipps, the discovery was kept secret, the colony being then a penal one. In 1841, Rev. W. Clark also found gold, and in 1847 he called the attention of the colonists to the auriferous character of the country. The value of the diggings was not realized, however, until Hargreaves made his discovery in 1851.
1843. The Augustin process of working silver ores was introduced at the Gottesbelohnung Hutte, near Mansfeld, Germany, and later in the year at the Freiberg works.
Discovery of the silver mines of Hien de la Encina, in Guadalajara, Spain.
1847. Holland again adopted the silver standard.
1848. On January 19, Marshall discovered gold at Coloma, Cal. This find started the rush of gold-seekers

to the Pacific Coast, and by the end of the year numerous discoveries of the precious metal had been made in various portions of the State, notably along the American and Feather rivers.

The Ziervogel process for treating silver ores was introduced at Freiberg, superseding the Augustin process.

1849. Discovery of gold in the bed of the Yuruari River, Venezuela, but the region did not become the scene of great operations until several years later.

Discovery of gold in Gold Canon, Nevada; an important event, as it eventually led to the discovery of the Comstock lode.

1850. Belgium adopted the single silver monetary standard.

Quartz mining was begun in California.

1851. Discovery of gold in New South Wales by Hargreaves.

Discovery of gold at Ballarat and Bendigo, in Victoria, following close upon the discoveries in New South Wales.

Work was begun at the quicksilver mines of New Almaden, California.

1852. Discovery of gold in South Australia and Tasmania.

Invention of the process of hydraulic mining in California by Edward E. Mattison, a native of Connecticut.

1857. Discovery of gold in New Zealand.

Suspension of specie payments by Russia.

The German States, including Austria, adopted a single silver standard.

1858. Discovery of gold at Canoona, Queensland.

The Patera process was introduced at Joachimsthal, Bohemia; the use of sodium hyposulphite as a lixiviant for silver ores having been first suggested by Dr. Percy in 1848.

1859. The Comstock lode, Nevada, was discovered early in the year by O'Reilly and McLaughlin, at the point where the Ophir mine is located. The Grosh brothers found silver in this vicinity several years previous, but their discovery came to naught.

Discovery of gold in the Fraser River region, British Columbia.

Pike's Peak excitement; discovery of gold placers in Gilpin County, Colorado, in California Gulch, and at Breckenridge.

1860. Invention of the Washoe process of pan amalgamation by Almarin B. Paul and James Smith.

Discovery of the Gould & Curry and Savage bonanzas in the Comstock lode.

Discovery of the placers of the Boise Basin in Idaho.

After seventeen centuries of neglect the silver-lead mines of Laurium, in Greece, were reopened, a French company having obtained a concession of the property.

1861. Belgium returned to the double monetary standard.

Discovery of gold in Nova Scotia.

Discovery of rich placers in Oregon.

1862. Suspension of specie payments by the United States.

First important discoveries of gold in Montana.

Discovery of silver in the Reese River district, Nevada.

1863. First discoveries of argentiferous lead ores in Little Cottonwood Canon, Utah.

1864. First locations at Eureka, Nevada, but no important discoveries (silver-lead) were made until the fall of 1869. Claims were also located at Pioche, in the same State, though operations at that place did not become successful until several years later.

Discovery of rich placers in Last Chance Gulch, Montana; placers were also located at Butte.

Discovery of the Yellow Jacket-Kentuck-Crown Point and Belcher bonanzas in the Comstock lode.

1865. Establishment of the Latin Union, consisting of France, Italy, Switzerland, and Belgium, providing for a double monetary standard at a ratio of 15½ to 1, the agreement to hold good until 1880.

Discovery of the silver lodes at Phillipsburg, Deer Lodge County, Montana, but it was not until 1881 that the great Granite Mountain mine began to develop into a bonanza.

Discovery of the Chollar-Potosi bonanza in the Comstock lode.

1866. Italy suspended specie payments.

Discovery of the Overman-Segregated Belcher-Caledonia and Hale & Norcross bonanzas in the Comstock lode.

Discovery of the famous El Callao mine, Yuruari district, Venezuela.

1867. First international monetary conference convened in Paris by the French Government, at which twenty nations, comprising all the important countries of Europe and America were represented.

Discovery of rich deposits of silver ore at White Pine, Nev.; these were the first large bodies of silver ore found in a limestone formation in the United States, and the information gained from them led directly to the discovery of the silver-lead deposits of Eureka soon afterwards.

The smelting works of the Boston & Colorado Smelting Company were established at Black Hawk, Colorado; this was an important step for the development of the mines of Gilpin County and other districts in Colorado.

Discovery of the Thames gold-field on the north island of New Zealand.

1868. Greece joined the Latin Union.

Discovery of gold in Western Australia, but it was not until 1887 that any diggings of importance were found.

The Emma silver mine, Little Cottonwood, Utah, was located in August of this year, but no large shipments were made until July, 1870.

Discovery of the Sierra Nevada bonanza in the Comstock lode.

1869. Discovery of the important silver-lead deposits of Eureka, Nevada. The American practice of lead smelting has been developed chiefly from the methods adopted in this district.

The Pacific Railway was completed, and prospecting along its line was greatly stimulated.

The Sutro tunnel to open the Comstock lode was commenced Oct. 19.

Discovery of promising deposits of silver ore at Pioche, Nev.

Copper silver ore was discovered at Butte, Montana, and a smelting furnace erected at the Parrott mine.

1870. Great silver deposits were discovered at Caracoles, about 120 miles inland in the desert province of Atacama, Chile, on the Bolivian frontier.

The silver mines of Eureka and Pioche, Nevada, became large producers.

1871. The German Empire, by Act of Dec. 4, assumed the sovereign right of coinage and adopted the gold standard; the mintage of silver was discontinued.

Discovery of the great Crown Point-Belcher bonanza in the Comstock lode.

The mines of Big and Little Cottonwood, Utah, made large shipments.

1872. Discovery of silver at Georgetown, New Mexico.

The Ontario vein (silver), Park City, Utah, was located June 19.

1873. The United States, by Act of Congress, Feb. 12, discontinued the coinage of silver dollars. This Act did not demonetize silver in words, although it did so in effect. The silver dollar is not named in it. Precisely what the Act did was to authorize the coinage of silver half-dollars, quarter-dollars, and dimes below standard weight, and of a new silver coin for Asiatic commerce, of standard weight, to be called the "trade dollar," and to prohibit these coins from being legal tender for more than five dollars in any one payment.

Discovery of the "Big Bonanza" in the Consolidated California & Virginia mines on the Comstock lode.

The German Government, by Act of July 9, provided for the retirement of its silver coins and the sale of the bullion.

By a Treasury order, Sept. 6, France limited the amount of silver to be accepted by its mint.

1874. A year of great excitement on the Comstock, the "Big Bonanza" beginning to yield largely, while another bonanza was discovered in the Ophir mine.

Silver was demonetized by the Scandinavian States.

Discovery of promising silver mines, including the Silver King, in the Pinal Range, Arizona.

Early in the year argentiferous lead-carbonate ore was found on Iron Hill, Leadville, and the Lime and Rock claims were located.

By an agreement made in January of this year, the Latin Union was to limit the coinage of silver, exclusive of subsidiary coins, to the following sums for three years: 1874, 140,000,000 francs; 1875, 150,000,000 francs; 1876, 108,000,000 francs. Any nation in the Union had the right to decline coining its quota of this amount any year.

1875. Holland, by Act of June 6, suspended mintage of silver for private account, and established gold coinage with unlimited legal-tender functions, with a ratio of 15.604 to 1; this was a provisional law, to last only until Jan. 1, 1877.

Switzerland declined to coin its quota of silver assigned by the agreement of the Latin Union.

1876. First shipments of silver-lead ore from Leadville, Colo.

Discovery of silver-lead ore at Frisco, Utah, and the Horn Silver mine was opened this year.

In July was brought the first suit of the farmers in California against hydraulic miners, and from this time the debris question became a burning subject of discussion.

The gold fields of Black Hills, Dakota, began to attract much attention.

Discovery of the Drumlummon ledge (gold) at Marysville, Mont.

Belgium suspended the coinage of silver.

France discontinued the mintage of silver, except for subsidiary coins, until January, 1878, by Proclamation of the President, in accordance with the Act of August 5, 1876.

A royal decree was issued in Spain interdicting the coinage of silver except on Government account, and declaring it to be the intention of the Government to limit the legal-tender function of silver to 150 pesetas (about $30) after it had obtained a sufficient amount of gold to make this step practicable.

Russia suspended the coinage of silver for individuals, excepting the amount of silver money needed for trade with China.

By Act of Congress of the United States, August 15, a silver commission was created which reported on March 2, 1877.

1877. Discovery of rich silver veins at Silver Cliff, Colorado, including the Bassick and Bull-Domingo mines.

The curious argentiferous sandstone deposits of Silver Reef, Washington County, Utah, had been known since 1871, and a mining district was organized there in 1874, but the mines did not commence to produce until 1876.

1878. On Feb. 28, the Congress of the United States passed an Act ordaining the coinage ($2,000,000 per month at least, $4,000,000 at most) on Government account of silver dollars of 412½ grains, 900 fine, and and made them full legal tender except where expressly stipulated otherwise by contract.

An international monetary conference was held in August at Paris.

Great excitement at Leadville, Colo., where many new discoveries were made.

The first locations at Tombstone, Ariz., were filed and the next year the mines (silver) there commenced to produce largely.

Discovery of the silver-lead deposits of Sierra Mojada, Coahuila, Mexico.

1879. The German Government discontinued it sales of silver on May 16.

Resumption of specie payments by the United States.

Discovery of promising veins of silver ore at Aspen, Colo., and in the San Juan region in the southwestern part of the same State.

1880. Reported existence of promising gold veins in the Colar fields of Mysore, Southern India, which were subsequently opened and became large producers.

1881. Discovery of silver ore at Lake Valley, New Mexico.

First important discoveries of silver ore in the Calico district, California.

1882. Decision of the courts prohibiting hydraulic mining in the valleys of navigable rivers of California.

1883. The Mount Morgan gold mine, at Rockhampton, Queensland, began to produce.

The Broken Hill mine (silver-lead) in New South Wales, Australia, was discovered in September.

1884. Discovery of gold in de Kaap district of the Transvaal, South Africa.

1885. Discovery of the silver-lead deposits of the Cœur d'Alene region, Idaho.

The first important discoveries in the "banket" formation, Witwatersrand, Transvaal, South Africa, were made during this year, but active operations were not commenced until 1887.

1890. Act of Congress, July 14, repealing the law of 1878 and providing for the purchase of 4,500,000 ounces of silver monthly, against which certificates are issued, redeemable in either gold or silver.

Establishment of the silver-lead smelting industry in Mexico.

1891. The gold fields of Mashonaland, South Africa, began to attract attention.

Large exports of gold from New York and purchases by Russia.

Discovery of silver ore at Creede, Colo., and gold at Cripple Creek, in the same State.

Austro-Hungary adopted the gold monetary standard.

Third international monetary conference held in Brussels on invitation of the United States, adjourning in December without result.

At the close of the year large exports of gold from the United States, causing a very unsettled feeling in financial affairs.

1893. India ceased coining silver.

Financial panic in the U. S., due to the large purchases of silver and the consequent fear that the U. S. would be forced to a silver basis. Act of 1890 repealed.